

Management RECORD

AUG. 1954 • Vol. XVI • No. 8

- Management Looks at the GAW
- Group Insurance Today
- Revised Consumer Price Index
- Making the Foreman a Manager



NATIONAL INDUSTRIAL CONFERENCE BOARD

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Management Record is prepared by

Division of Personnel Administration: S. Avery Raube, Director; Louis A. Allen, James J. Bambrick, Jr., F. Beatrice Brower, Harland Fox, George H. Haas, Stephen Habbe, Mary Jaros, Nicholas L. A. Martucci, George V. Moser, John O'Brien, Geneva Seybold, Harold Stieglitz, Doris M. Thompson, Hermine Zagat.

Statistical Division: Paul W. Dickson, Director; James C. Apicella, James F. Bird, Leonard R. Burgess, Bess Kaplan, Joan H. Lev, Grace Medvin, John Napier, Martha Pearson, Olive E. Vaughan, Judith Wishnia.

Editorial Staff: Aileen Kyte, Audrey Hubbard. **Charts:** Paulette la Corre Lydon, Anne Dermody, Lawrence M. Osborne, John E. Schmerling, Madeline Susswein, Margaret Whittaker.

Management Record

August, 1954

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247 Park Avenue, New York 17, N. Y.

Vol. XVI, No. 8

• In the Record •

Unemployment Compensation Supplements

Now past its mid-point, it is safe to say that 1954 is not the "year of decision" for the guaranteed annual wage. But this does not mean that it has been a year of marking time for either the pro side or the anti.

The CIO unions have countered management objections to the traditional type GAW with concrete proposals to reduce costs and limit employer liability. In January, the *Management Record* brought you their side of the picture. Now management, in turn, has taken a careful look at their recommendations. In the article beginning on the next page, management's thinking on these proposals is examined. A point-for-point refutation of the union position shows why management feels unemployment compensation supplements are not a satisfactory answer to the complex problem of guaranteeing the worker an annual wage.

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Making the Foreman a Manager

Very often a plant foreman—without knowing quite how it happened—finds that he has become a "man of all work." His main job is to supervise the production line, but there are also errands to be run, telephones to answer, materials to hunt down, and tools to be checked. Rather than disturb the men on the job, he takes care of these details. And gradually they are absorbed into his regular routine. Both he and the company may find that he is actually devoting only a small percentage of his time to supervisory duties.

The story starting on page 294 shows how one company discovered, by means of a time distribution study, how much time was being spent in performing these secondary duties, and how they set about to restore the foremen to their rightful supervisory role.

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New Consumer Price Index

The NICB consumer price index, the oldest statistical index of its type, has been undergoing a major revision over the past three years. The story starting on page 302 describes the high points of this modernization and prepares the way for the new version's appearance in mid-September. Pricing

of commodities which now figure prominently in the moderate income families' standard of living will be started with the July index. Such things as frozen foods, television, and home purchases will be included. This index will have a 1953 base rather than the old prewar reference point of January, 1939 = 100. The regular article on prices, wages, hours, earnings, and employment will be found on page 312.

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Sales Incentive Plan Bolsters Carloadings

There is no doubt that incentives play a tremendous role in human motivation, and the company that can make effective use of this fact is in a favorable position. Early this year, the Chicago and Eastern Illinois Railroad, along with other carriers, was faced with the problem of declining carloadings.

To avoid a drop in freight revenues, C&EI management felt they must encourage each freight solicitor to meet his 1953 selling record. But this, they knew, wouldn't be easy. Here was where the incentives came in. A "Put-and-Take" contest was initiated under which a salesman who met his own monthly quota of the previous year could earn as much as \$500 extra. Another part of the plan, on an all-or-nothing basis, could add another \$500. The results seemed to please just about everybody. Details of the plan and how it worked are given in the story on page 300.

• • •

Group Insurance, 1945-1953

Group insurance has had a phenomenal growth since the end of World War II. More contracts cover more employees and dependents than ever before. However, the rate of growth for some types of insurance has been much greater than for others. Life insurance, as it already had wide coverage in 1945, has not kept pace with the increases in group accident and sickness benefits. And one of the late comers in the group medical coverage field—the cash reimbursement for physicians' fees—has skyrocketed. Although still small, major medical expense insurance, often called catastrophe insurance, shows signs of being the next one to move up. Data on these various kinds of insurance are given in tabular form along with the story on page 297.

In January of this year, the Management Record published a story on the guaranteed annual wage—as the unions viewed it. The story that follows is management's appraisal of the GAW. In its current form, management feels it would be more correctly titled:

Unemployment Compensation Supplements

EVEN THE MOST cautious observers are now willing to say that 1954 is not the year of decision on the guaranteed annual wage. Maybe 1955. Yet the first half of 1954 may have been a time of decision for many management people. For through a type of public bargaining, management has been able to sift its own thoughts regarding the GAW. They have come up with some new ideas concerning what the major CIO unions are talking about when they use the term "guaranteed annual wage."¹

For one thing, management is now certain that the guaranteed annual wage is not the real issue; it is unemployment compensation supplements. From a management point of view, the CIO's proposals amount to a concession that the traditional annual wage—forty hours' pay per week for fifty-two weeks for everyone—is not feasible in durable goods industries. For another thing, in analyzing the current proposal put forth by the major CIO unions, management has found it not so "reasonable" as the unions contend.

The demands of the CIO Steelworkers, Electrical Workers, and Auto Workers were designed to answer management's major objections to the traditional guaranteed annual wage. The objection that weighed heaviest with unions was that the GAW was too costly. It represented a large additional fixed cost and unlimited liability for the employer in a downturn. In this fact, management saw dire implications in terms of labor mobility and maintenance of a competitive economy.

The union's answer was to bring forth a wage guarantee proposal that would cut costs and ostensibly put a ceiling on liability. This would be achieved, according to the unions, by restricting eligibility, by allowing for unemployment compensation payments to defray part of the costs, and most important, by limiting liability to the amount of money in an employer-financed fund. These provisions, according to the

unions, cut the ground from management's major objection to a guaranteed annual wage. Unions said that in effect they were asking for nothing more than is usually granted in the way of a cents-per-hour increase or any other fringe benefit.

However, this contention of the CIO unions has been weighed and found wanting by management. Problems implicit in unemployment compensation supplementation are quite different from those in the usual fringes. Management's major objections center around three problem areas. One is unemployment compensation integration, another has to do with "limited liability," and the third concerns something loosely called "codetermination."

PROBLEMS OF INTEGRATION

An immediate problem that arises concerning integration of unemployment compensation with company payments to laid-off workers is the fact that state laws do not permit it. Such payments by employers have been considered wages. And under interpretations of present laws, a laid-off employee cannot receive UC payments simultaneously with the receipt of wages from an employer. This aspect of the law could be changed, unions contend.

But even if the laws were changed, management sees problems in attempting to integrate eligibility requirements, disqualification provisions and "suitable work" provisions of the private company-union plans with those of state plans. The union proposals so far pose certain conditions that are more liberal than the requirements of state UC laws.

The IUE, for example, has said that "eligibility provisions should be part of the contract and not left to state unemployment compensation agencies or regulations." The Steelworkers' union would require the laid-off employee to register for work but would not require that he "actually seek work." UC requires that the laid-off employee register and actively seek work. Also under the Steelworkers' proposals the employee may refuse work if it pays less than the "union

¹ For a complete description of union proposals, see "Guaranteed Annual Wages—The New Look," *Management Record*, January, 1954, p. 2.

wage rate." Under UC, he can refuse work only if it pays less than the "prevailing rate." And the UAW has said, "standards of 'suitability' will be specified by the agreement, without regard to any standards that may be provided in the state unemployment compensation laws, in order to protect workers against pressure to accept jobs paying substandard wages, having substandard working conditions, etc."

Far from being more liberal, however, management spokesmen believe that the eligibility and disqualification provisions of a private plan would necessarily be more stringent than those of a public plan. This would have to be the case, according to management, to protect the private plan from abuses. But whether these eligibility provisions of the private plan are more stringent, more liberal, or the same as those of the state plan, management spokesmen foresee endless controversy and grievances arising out of a dual administrative setup.

These problems of UC integration and the resulting grievances, according to some union spokesmen, could be solved if management were willing to sit down and negotiate a UC supplement plan. Some management people also feel that integration might cause headaches but could be accomplished.

Management, however, is less concerned with the mechanics of integration than with the basic question of whether state laws *should* be changed to permit integration. This is the key question. Their answer is "no." For in UC supplements they see a practice whose purpose is contrary to that of UC, as well as one that would produce discriminatory treatment of laid-off employees and raise the cost of unemployment compensation to other employers not covered by a private plan.

Contradictory Purposes

Unemployment compensation is designed to tide over the laid-off employee while he looks for another job. But an essential element is that it not reduce the employee's incentive to look for a job. Private supplementation of UC benefits, according to some management people, would withhold workers from the free labor market by tying them more closely to one company—even while unemployed. It would do this by raising the level of unemployment income to a point where the incentive to work is reduced. Management's analyses of the supplemental payment proposed by unions show that they would grant laid-off employees a weekly income almost equal to the net take-home pay for the employed worker.

In the steel case, put before the Wage Stabilization Board in 1952, for example, the companies demonstrated that the steel union's request for weekly benefits equal to thirty times the standard hourly wage rate would have been equivalent for the average steel worker to 77% of spendable pay (after taxes and

Social Security deductions) for a forty-hour week. During a slack period, if the normal work week were cut back to thirty-two hours, as provided for in the steel union proposals, thirty times the standard hourly wage rate (including UC payments) would have given a married employee with two dependents 99% of the spendable income he would have received had he worked the thirty-two hours. An unmarried man with no dependents would get 108% of his spendable income for working thirty-two hours. The fact that state UC payments are tax free makes this possible. The company concluded that while the American worker is neither a "loafer nor a chiseler, . . . Americans are a nation of bargain hunters. Given the right to substantially full wages for not working, it would be a poor bargain hunter who would fail to see the advantage of not working."¹

As stated, the steel companies' analysis in this case was based on weekly benefits equal to thirty hours' pay. In more recent negotiations, the Steelworkers sought a thirty-two-hour guarantee. In light of this, management circles believe it entirely possible that the UAW and IUE demands for "substantially full pay" might well bring unemployment income above the spendable pay of the employed worker.

Discrimination Among Laid-Off Employees

Raising the level of benefits for some laid-off employees would not only reduce incentive, according to management spokesmen, but it would result in discriminatory treatment among laid-off employees. On job referrals, for example, there seems to be little doubt that the unemployed person getting only unemployment compensation would more likely be referred to an opening than the unemployed worker who had both unemployment compensation and company payments. And management circles regard as patently unfair the idea of permitting full UC payments to a laid-off employee receiving guaranteed wage payments from a company while an unemployed person working part time would receive only the difference between unemployment compensation and his part-time wages. To the obvious rejoinder "change the UC laws to permit the part-time worker to receive full UC payments," management spokesmen say the result would be to raise UC benefits too high—and this would again defeat the purpose of unemployment compensation.

Higher Compensation Costs for All Employers

A further result of permitting private supplements to unemployment compensation, according to management, would be to raise the cost of unemployment

¹ See "Supplemental Statement with Regard to the Unemployment Benefits (Guaranteed Wage) Demand" by Donald F. Pease. Presented before the Wage Stabilization Board Steel Panel, February 13, 1952, pp. 28-38.

compensation to other employers who have no supplemental plan.

Many companies have gone through the experience of having an excellent record on unemployment during the year only to be confronted with an increase in their unemployment compensation tax at the end of the year. The employment experience of other companies in the state was the cause. Layoffs in other companies produced a large volume of unemployment claims. So the state unemployment compensation agency had to withdraw from the unemployment insurance fund not only contributions from the companies making the layoffs but from other companies as well. This depleted state reserves to a point where a general boost in unemployment compensation taxes was required to bring the reserve fund to the necessary level.

A parallel situation is likely to occur, according to management analysis, if a company adopts a plan for UC supplements. The laid-off employees covered by a private plan would be receiving larger benefits. They would be less likely to look for or accept other work, and would drain the employer's UC contribution. At that point, the UC contributions of companies that do not have a UC supplement would be drawn upon by the state funds.

The fact that UC supplementation would open the door to these situations—and especially because they feel it violates the purpose of unemployment compensation—has caused many employers to conclude that the CIO proposals would wreck the unemployment compensation system. On this point alone, some rest their case against UC supplements.

However, while the implications of unemployment compensation integration worry management, they are not of great concern to the CIO unions making these proposals. The CIO has long taken the position that the unemployment compensation laws need overhauling. It wants benefits raised, duration extended, suitable work definitions changed, and eligibility and disqualification provisions liberalized. It was pointed out at the steel fact-finding case that, in many respects, the CIO's proposals for revamping unemployment compensation and the Steelworkers' proposal for a company-financed UC supplement are almost identical.

LIABILITY LIMITED?

A second major concern of management is the pledge by the CIO unions that liability would be limited to employer contributions to a fund. Of this, management is dubious. Its experience with all other benefit programs sought by unions indicates that, in successive years, unions will seek increased cents-per-hour contributions. Some union spokesmen have conceded this. They would grant that the initial proposal is a foot-in-the-door approach. But they insist that while cents-per-hour contributions may vary, the em-

ployer's liability is still limited to the amount in the fund.

This point taxes management's credulity. There is little doubt among some employers who have evaluated the proposal that there could be no ceiling on management's liability. They reason this way: if cutbacks come, the fund may be able to finance benefits for three-year employees, then four-year employees, and maybe even five-year employees who are laid off. But at some point, the fund may go dry. If layoffs continued, however, and if six-year employees were let go, management couldn't possibly say "the fund is dry, you get no benefits."

According to management, if it had made benefit payments to the lesser-service employees, it would have to continue them for the long-service employees—regardless of the condition of the fund. The union contract might not require it, but good personnel administration and good human relations would. And it is largely because of this fact that the management personnel insists that the idea of limited liability is strictly an illusion.

On the question of what happens when the fund runs dry, some union representatives agree that there is a problem. One mentioned it as the only stumbling block in the whole plan. His answer, based on the industry's unemployment experience, was that if contributions were properly calculated, employment cutbacks would never be so deep as to exhaust the fund. The IUE's approach to this same problem, as evidenced in its demands on Westinghouse, was to reserve a certain portion of the fund for employees with less than three years' service, another portion for those with from three to five years' service, and still a third portion for those with more than five years' service.

"CODETERMINATION"

In some management circles, it is believed that an ultimate goal of unions is to "run the business." A wedge toward this "codetermination" is the third major problem that this group sees in the CIO union's proposal for UC supplements. The proposal includes a demand for joint administration of the benefit fund. A next step, according to some management people, would be for unions to seek a say in production scheduling and marketing processes on the grounds of aiding management maintain the income guarantees. Some view Mr. Reuther's letter to the auto companies regarding production scheduling as evidence of this next step. Wage guarantees through UC supplements, they are convinced, would necessarily lead to a much greater union encroachment in management function.

To unions, this type of argument is the old cry of "wolf." They pass it off, saying unions have heard it with regard to almost everything they have ever asked for. But in a more reflective mood, several union representatives say that a guaranteed annual wage actu-

ally does away with the need for unions to take on management functions. They reason that so long as the employee bears the burden of management's mistakes, there is real basis for the unions' repeated demands that management do a better job of scheduling, marketing and developing new products. But under a GAW plan, unions contend that management will be paying for its own mistakes. In that case there would be little need for the unions to invade management's functions. A guaranteed annual wage, they add, would serve as the incentive needed for management to cut down on layoffs.

NOT "JUST ANOTHER FRINGE"

These union arguments notwithstanding, management believes that the three major problems outlined above show that unemployment compensation supplements are something quite different from "just another wage increase or fringe benefit."

In the process of making this evaluation, other questions have been raised by management. One, for example, is "what practical changes in work situations would unions have to concede if anything like a guaranteed annual wage plan were to work?" Among the usual things mentioned in this connection are greater flexibility in job transfers and changes in overtime pay provisions to permit banking of overtime. But this time round, the seniority principle is under review. Some persons in management circles have said that so long as there is a loss of pay involved, there is a basis for laying off by seniority. But if the laid-off employees suffer little or no pay loss, why cater to seniority? Why not keep the most efficient rather than the most senior?

Another question that is being weighed is the effect of this type of payment on the employer-employee relationship. Some employers feel that management has taken on too much of a "trustee" function regarding employee pay. By putting aside money for the employee's vacation, for his illness, for his retirement, management is actually doing the employee's budgeting. They feel that in contributing to a fund for unemployment compensation supplements, management would be doing some more budgeting. The total effect they believe is to make the employee too dependent upon the employer for his welfare.

Management consensus is that there are better answers to the problem of income security than those proposed by the major CIO unions. For periods of unemployment, the public system of unemployment compensation is better than a combined private-public one. The unemployment compensation system, they believe, may need some revamping. But not necessarily along the lines suggested by the CIO unions. A tentative conclusion seems to be that the benefit formula is adequate but the present ceiling on benefits is too low, considering today's wage rates.

Many management people would be prepared to endorse higher benefit ceilings if eligibility and disqualification provisions were tightened to control abuse by those on the fringe of the labor market and those who have actually left the labor market. And management circles are still convinced that the traditional answer—steady jobs through job stabilization—is still the best means to income security.

HAROLD STIEGLITZ

Division of Personnel Administration

Explaining Technical Activities

Companies using psychological tests and companies offering a counseling service sometimes say nothing publicly about these activities. Not knowing just how to explain them in ordinary language may be one reason for their hesitancy.

The following description appears in "This Company of Ours," an employee handbook recently published by S. C. Johnson & Son, Inc. of Racine, Wisconsin.

"Occasionally you may need help in making decisions related to your job, your future plans or personal life. After discussing your problems with your supervisor, you may wish to consult with our Employee Counselor who is trained in the field of employee counseling and guidance.

"One of the aids which the Employee Counselor may use in assisting you is aptitude tests. These provide estimates of your skills, basic interests and your personality characteristics. In addition to counseling, they are also

helpful in hiring employees and in placing those already hired in jobs most advantageous to the individual and the company.

"All employees are now given aptitude tests, either as applicants or after they have been with the company for ninety days. If you have not taken aptitude tests, arrangements may be made for you to do so. Our purpose in making these tests available to all employees is to be reasonably sure each person is performing the kind of work for which he or she is best fitted.

"Aptitude tests, incidentally, are nothing to worry about—they are not given like teachers used to give us tests in school to see if we 'pass.' What yours reveals may well be the means of advancing you or changing your work, or of making you better satisfied with the job you are doing. You will have the opportunity to discuss the results of your test confidentially with the Employee Counselor."

Making the Foreman a Manager

Determining how the company's foremen actually spend their working hours may be the first step in making them bona fide members of the management team

SCARCELY ANYBODY will deny that a good production record depends primarily on good supervision at the production line. Effective management requires at its base a well-trained and properly coordinated group of unit supervisors. Experience in many companies has shown that if this supervisory link between directing management and producing labor fails, the whole enterprise may fail with it.

Yet in spite of his key role, the foreman often has not received attention commensurate with his real worth. Occasionally he is neglected or overlooked. Often he is deprived of meaningful responsibilities. More and more, staff technicians are threatening to take over his functions. As a result, many companies have found in recent years that their foremen have steadily lost prestige.

This is an untenable situation, for when the chips are down, the foreman is the man who can get production out the door. It is the unit foreman who can pare production costs and cut production time. The foreman has the most to do with sustaining the morale of his people and stimulating them to greater production effort.

A great many successful companies say that the only efficient way to use a foreman is as a bona fide member of management. Yet, in many cases, the foreman has been saddled with added duties, some of which are not supervisory functions at all. He has been burdened with a secondary load of petty detail. Often he must run errands, hunt materials, check tools, and look for repair and maintenance people. In some instances, he actually does the repairs himself. He is called upon to answer the telephone, deliver schedules and perform a whole host of miscellaneous, nonsupervisory chores. All these extraneous activities prevent him from being what he is supposed to be—a real management man.

These unfortunate circumstances have taken their toll in production and in supervisory morale, which, in such instances, is in continual need of bolstering. In any analysis of this problem, one goal becomes evident: to restore the foreman to his earlier position as a leader and manager of men.

But to restore the foreman to his former supervisory role, it is first necessary to discover which of his activi-

ties are real supervisory functions, which are not, and how he divides his time between the two. What *should* the foreman be doing? What is he *now* doing?

One way, of course, to find out what a supervisor does during the working day is to place him under continuous observation. But this can be a costly procedure if it is applied to many foremen. Moreover, it is not really necessary.

The New Kensington Works of the Aluminum Company of America recently made, with minimum trouble and expense, an effective study of the way in which foremen were spending their time on the job.

The heads of the production divisions at the New Kensington Works wanted to find out as accurately as possible what their foremen were doing during the working day and how much time they were taking to do it. They estimated that each man was spending about 40% of his time actually supervising in his assigned area. The rest of his time, they supposed, was devoted to activities outside his assigned area, such as attending meetings, working in the office, and so forth. But how accurate was that 40% estimate and exactly what did the foreman do with the rest of his time?

To find out, the works manager's staff evolved a method of observation called "time distribution." This is an application of a statistical probability technique. It provides detailed information about what foremen actually do during their working hours. The method is an offshoot of the "ratio delay" or "work sampling" technique used in studying machine operations.

How It Works

Time distribution is based on the law of probability. It operates on the principle that a smaller number of chance observations will tend to follow the same distribution pattern as a larger number. The Alcoa people knew that by keeping a foreman under continuous observation they could get a very accurate picture of his activities. However, they also knew that if they applied the laws of statistical probability they could get a reliable picture of his activities by observing him only twenty times a day. They chose to make twenty observations on each foreman because their trial tours through the mill indicated that that

was the number of observations that could be conveniently handled during a single shift.

Preparing the Foreman

This is how they went about it. First, the New Kensington Works management had to be sure the foremen who were to be observed knew the purpose of the study and how it was to be carried out. The whole-hearted cooperation of the foremen was essential to the success of the project. In preparing the foremen for the first time-distribution study, the division superintendent concerned called together all the men who were to be involved and explained to them what the project was about. He emphasized that the study would in no way jeopardize their jobs or security. He explained that the observer, following a pre-arranged time schedule, would make an observation or reading on each foreman twenty times during each shift. He also emphasized that it was particularly important that each foreman be completely candid in answering any questions put to him by the observer.

Setting Up the Study

One man was assigned full time to the study to serve as an observer. His task had some complications. For instance:

- What time schedule should be set up for making the observations? Those who had prepared the study knew that if the observer started the tour each day at the same time he would be establishing a definite pattern of observation. This would invalidate his data, because statistical probability is based on a random sampling method. To establish a random schedule of observations, the Alcoa staff used random number tables found in statistical handbooks.
- The next problem was that of establishing the number of observations necessary to get a reasonably accurate picture of what the foremen were doing during the day. In a study of this sort, the number of observations made is determined by the margin of error with which the persons conducting the study will be content; the greater the number of observations, the smaller the margin of statistical error. The 40% figure, which was the estimate made of the time that the foremen actually spent supervising in their assigned areas, was turned over to a plant statistician who, by applying it to a statistical formula, predicted how many observations would have to be made in order to achieve an accuracy within an error of plus or minus 5%. The plant statistician predicted that the observer could get results as accurate as plus or minus 5% by making 400 observations on each foreman.

How the Study Was Made

When procedures had been determined and agreed upon, the study itself got under way. The observer

followed a set routine each day that was governed by his random time schedule. If his schedule indicated that he should begin his tour on Monday at 7:06 a.m., he started at precisely that time. The moment he saw the first foreman (seven foremen were studied at a time) whom he was to observe, he recorded his observation of what the man was doing on a three by five inch card, similar to that shown in the accompanying box. To be sure his observation was correct, he then asked the foreman himself what he had been doing at the moment he observed him. After the observer completed his observation of each foreman, he returned to his office and wrote up his observations while waiting for the time the next tour was to begin.

Obtaining the 400 observations on each foreman required a period of four weeks. The next step was to tabulate the resulting data into categories that would indicate the principal areas of foreman activity and the percentage of occurrence for each activity.

Results Obtained

The results of the study showed that the foremen averaged only 31% of their time in direct supervision in their assigned areas. Some foremen were spending as much as 15% of their working day in hunting men, materials, and equipment. Most foremen spent a considerable amount of time walking from their office to the areas where their men were working. In spite of complaints about "too much paper work," the typical foreman spent only about 4% of his time in reading and writing reports. One foreman learned, much to his surprise, that he had been doing a considerable amount of manual labor on jobs that were not related to work under his supervision. He hadn't realized how much time he had been spending in this way until he saw the results of the study.

When the study had been completed, the superintendent went over the results with each foreman. In many cases, the foreman's ideas about his job and what he was supposed to be doing with his time dif-

Three by Five Inch Card Used for Recording Observations

| Foreman's Classification | Date | Time |
|--------------------------|------|------|
| Activity observed | | |
| Area where observed | | |

ferred to some extent from those of his boss. The results of the time-distribution study provided an objective basis for agreement.

When the foreman's job was reviewed in terms of what he actually did, it was discovered that the incidental activities cut rather deeply into his time. Plans were then made to relieve him of those activities as soon as possible. This was accomplished by a partial reorganization of foremen's assignments, and also by training hourly rated employees to take up the functions the foremen had been carrying on.

As a result of these findings, a program for improving quality is being undertaken with the employees. This program will start with a poster campaign and culminate with a series of conferences conducted for

the hourly rated employees by the division's top management.

The New Kensington Works' management feels that the time-distribution study is a realistic way of observing and measuring any kind of human activity in a business or industrial organization. They believe that it leads to more efficient supervision by clearly exposing areas of weakness that can be remedied once they have been revealed. A critical analysis of how work is being done eventually leads to more efficient practice. This in turn improves production, and creates in the foremen and other supervisory personnel the feeling that they really help to manage their plant.

LOUIS A. ALLEN

Division of Personnel Administration

Training New College Graduates

What is the best thing to do with college graduates after they are hired? There are many answers to that question, but not too much agreement. One danger point that is commonly recognized is that college graduates who are given a preferred status in the company become known as "crown princes." This usually results in envy and resentment among other employees.

Yet most companies feel that newly graduated college recruits deserve some special consideration. The graduate has demonstrated that he has the intellectual capacity to complete a college course. He is older and presumably has a little more maturity than the ordinary youngster who is just starting out in industry. The problem is: How to give college graduates special training without getting the rest of the organization up in arms?

The Ford Motor Company of Canada has evolved a training plan that it feels has been increasingly successful over the past five years. The company's plan provides for one year of training in the organization, administration and general policies of the company for both university graduates and selected employees. The "crown prince" onus is eliminated by making any qualified company employee eligible as well as university graduates and graduates of the Ford of Canada Trade School.

All candidates for the training program are first screened by an interviewing team. On the basis of the interviews, recommendations are made to the heads of the various operating divisions regarding the suitability of the candidates. Division heads make their choices in line with their current requirements.

Once they have been selected, trainees are enrolled

as members of the industrial relations division for the full year of training. The industrial relations division handles the coordination of the over-all program, but supervisors in the several operating divisions are given responsibility for planning and scheduling the training.

The year of training is divided into two periods. First comes three months of orientation to the company. During this time the trainee tours all the operating divisions. This gives him firsthand knowledge of the operations and personalities involved and helps him get some idea of the interrelationship of the complex technological processes involved in making motor cars.

During the remaining nine months of his year, each trainee is assigned to one of the operating divisions. The assignment is based on the expressed preferences of both the trainee and the division head. This part of the tour consists of three different work assignments, which are selected primarily for their training value.

The candidate's performance is reviewed frequently during the second part of the program. After he completes each of his three assignments, the supervisor directly concerned with that phase of his training completes and signs a performance review form. When he has completed his training, the new man is normally given a permanent assignment in the division in which he completed the second part of his tour.

The company feels that the one-year training plan has been helpful in providing a pool of trained personnel. Since university graduates must compete with all other employees for promotions, Ford believes that the program is a fair and acceptable method for insuring a balanced and effective team.

Group Insurance for Employees and Their Dependents, 1945-1953¹

THE GROWTH of group insurance coverage since the end of the war in 1945 has been unprecedented. The accompanying table shows the number of group insurance contracts in force, the number of employees covered, and amount of insurance by type of coverage. It will be observed from this table that during the nine-year interval, from 1945 to 1953, some types of coverage have exhibited a greater rate of growth than others.

GROUP LIFE INSURANCE

During this period group life insurance, which was the first of the group insurance coverages to be developed, grew at a smaller rate than other types of group insured benefits because this type had already gained such widespread acceptance. At the end of 1953, there were 74,450 master contracts in force, under which 25 million employees were insured. The total amount of life insurance in force under these contracts was over \$72 billion at the end of 1953.

The average amount of life insurance per individual also increased. In 1945 the average was \$1,979.52, while in 1953 it was nearly \$900 more, or \$2,858.98. These averages have been computed by dividing the total amount of insurance in force by the number of employees covered.

A new coverage under group insurance is life insurance for employees' dependents. This type appeared first in the tabulation for 1948 when 150 contracts covering 79,000 dependents were found. By 1953 the number of these contracts had increased six-fold, and over 700,000 dependents were insured.

Accidental death and dismemberment benefits provide insurance for the employee who meets with accidental death. They are, in reality, a double indemnity feature. Normally the amount of life insurance and the amount of accidental death and dismemberment is the same, at least for the workers in the lower income brackets.

The number of contracts in force and the number of employees covered by the latter are not nearly so great as for group life insurance, although the rate of growth for this type of protection has been larger than for group life insurance. At present, 57,190 contracts

covering 11,834,000 employees are in force. The amount of average benefit has increased from \$1,727 in 1945 to \$2,223 in 1953.

GROUP ACCIDENT AND SICKNESS BENEFITS

The number of group accident and sickness benefit contracts for employees jumped from 43,540 in 1948 to 217,500 in 1953. This spectacular increase is the result of enactment of cash disability laws in three states, California, New Jersey and New York, which permit the employer to reinsure his disability benefits with a private carrier.

Because of the inclusion of many small companies which elected to carry the disability benefits under a group insurance program rather than under the state fund, the number of persons covered did not increase as sharply, percentagewise, as the number of contracts. Employees insured for this coverage rose from 5,921,360 in 1945 to 14,186,000 in 1953, or an increase of about 300%.

GROUP MEDICAL COVERAGE

Group hospital and surgical coverage for both employees and their dependents has also registered a substantial increase in numbers of contracts written and numbers of individuals covered. The increase in the average amount of daily room-and-board benefit is particularly striking. During the past few years, hospital costs have increased drastically, and benefits have been raised to help meet the increased cost. For both employees and their dependents, the average benefit has nearly doubled since 1945.

The average amount of the maximum surgical benefit has also increased, but not so markedly as the hospital benefits. The average maximum benefit for both employees and their dependents is more than \$50 higher than in 1945.

A comparatively late development in group coverage is cash reimbursement for physicians' fees, and the expansion of this coverage in the last nine years has been phenomenal. The number of contracts covering employees increased from 2,014 in 1945 to 28,570 in 1953, or more than fourteen times the number in force in 1945. The growth in dependents' coverage is even more pronounced, increasing from 508 contracts in 1945 to 22,610 in 1953.

¹ Statistics taken from the yearly tabulation compiled by the Life Insurance Association of America.

Group Insurance in Force in Continental United States, By Years, 1945-53

| | Number of Contracts | | Number of Employees Insured | | | Amount of Insurance | | |
|---|---------------------|-----------------|-----------------------------|-----------------|--|------------------------------|-----------------|--|
| | Total in Force | Index: 1945=100 | Total Insured | Index: 1945=100 | Average Number of Employees per Policy | Total in Force (000 dollars) | Index: 1945=100 | Average Benefit per Employee (dollars) |
| Group Life¹ | | | | | | | | |
| Employee Coverage | | | | | | | | |
| 1945..... | 30,002 | 100.0 | 11,329,388 | 100.0 | 378 | 22,426,725 | 100.0 | 1,979.52 |
| 1947..... | 39,310 | 131.0 | 14,932,000 | 131.8 | 380 | 32,194,900 | 143.6 | 2,156.10 |
| 1949..... | 50,550 | 168.5 | 16,971,000 | 149.8 | 336 | 39,925,600 | 178.0 | 2,352.58 |
| 1951..... | 61,160 | 203.9 | 20,894,000 | 184.4 | 342 | 54,233,000 | 241.8 | 2,595.63 |
| 1953..... | 74,450 | 248.2 | 25,359,000 | 223.8 | 341 | 72,501,000 | 323.3 | 2,858.98 |
| Dependents' coverage | | | | | | | | |
| 1945..... | 250 | 166.7a | 119,000 | 150.6a | 476 | 58,200 | 140.6a | 489.08 |
| 1951..... | 450 | 300.0a | 367,000 | 464.6a | 816 | 178,000 | 430.0a | 485.01 |
| 1953..... | 980 | 653.3a | 711,000 | 900.0a | 726 | 412,400 | 996.1a | 580.03 |
| Group accident and sickness | | | | | | | | |
| 1945..... | 23,059 | 100.0 | 5,921,360 | 100.0 | 257 | 100,830b | 100.0 | 17.03b |
| 1947..... | 35,580 | 154.3 | 8,377,000 | 141.5 | 235 | 162,100b | 160.8 | 19.35b |
| 1949..... | 66,400 | 288.0 | 10,260,000 | 173.3 | 155 | 223,400b | 226.5 | 22.26b |
| 1951..... | 203,100 | 880.8 | 16,835,000 | 284.3 | 83 | 423,800b | 420.3 | 25.17b |
| 1953..... | 217,500 | 943.2 | 18,739,000 | 316.5 | 86 | 533,000b | 528.6 | 28.44b |
| Group hospital expense | | | | | | | | |
| Employee coverage | | | | | | | | |
| 1945..... | 20,389 | 100.0 | 4,371,350 | 100.0 | 214 | 19,939c | 100.0 | 4.56c |
| 1947..... | 27,750 | 136.1 | 7,110,000 | 162.6 | 256 | 36,300c | 182.1 | 5.11c |
| 1949..... | 40,320 | 197.8 | 8,500,000 | 194.4 | 211 | 50,400c | 252.8 | 5.93c |
| 1951..... | 64,390 | 315.8 | 12,132,000 | 277.5 | 188 | 88,900c | 445.9 | 7.33c |
| 1953..... | 69,990 | 343.3 | 14,186,000 | 324.5 | 203 | 119,600c | 599.8 | 8.45c |
| Dependents' coverage | | | | | | | | |
| 1945..... | 10,849 | 100.0 | 3,432,320 | 100.0 | 316 | 13,914c | 100.0 | 4.05c |
| 1947..... | 16,050 | 147.9 | 7,080,000 | 206.3 | 441 | 32,900c | 236.5 | 4.65c |
| 1949..... | 27,890 | 257.1 | 9,197,000 | 268.0 | 330 | 52,600c | 378.0 | 5.72c |
| 1951..... | 52,220 | 481.3 | 14,531,000 | 423.4 | 278 | 102,000c | 733.1 | 7.02c |
| 1953..... | 60,970 | 562.0 | 19,324,000 | 563.0 | 317 | 153,400c | 907.0 | 7.94c |
| Group surgical expense | | | | | | | | |
| Employee coverage | | | | | | | | |
| 1945..... | 13,936 | 100.0 | 3,948,565 | 100.0 | 209 | 579,081d | 100.0 | 146.66d |
| 1947..... | 25,610 | 183.2 | 6,529,000 | 165.4 | 255 | 959,292d | 165.7 | 146.93d |
| 1949..... | 39,310 | 207.6 | 8,396,000 | 212.6 | 214 | 1,316,700d | 227.4 | 156.82d |
| 1951..... | 65,540 | 346.1 | 12,586,000 | 318.7 | 192 | 2,327,600d | 401.9 | 184.94d |
| 1953..... | 71,910 | 379.8 | 14,930,000 | 378.1 | 208 | 3,112,900d | 537.6 | 208.50d |
| Dependents' coverage | | | | | | | | |
| 1945..... | 7,350 | 100.0 | 1,587,669 | 100.0 | 216 | 207,363d | 100.0 | 130.61d |
| 1947..... | 11,510 | 156.6 | 4,574,000 | 288.1 | 397 | 568,200d | 274.0 | 124.22d |
| 1949..... | 25,040 | 340.7 | 7,194,000 | 453.1 | 287 | 1,061,700d | 512.0 | 147.58d |
| 1951..... | 49,730 | 676.6 | 13,790,000 | 868.6 | 277 | 2,340,100d | 1,123.5 | 169.70d |
| 1953..... | 61,210 | 832.8 | 19,046,000 | 1,199.6 | 311 | 3,680,500d | 1,774.9 | 193.24d |
| Group medical expense | | | | | | | | |
| Employee coverage | | | | | | | | |
| 1945..... | 2,014 | 100.0 | 335,152 | 100.0 | 166 | n.a. | .... | n.a. |
| 1947..... | 4,180 | 207.5 | 852,000 | 254.2 | 204 | n.a. | .... | n.a. |
| 1949..... | 7,580 | 376.4 | 1,712,000 | 510.8 | 226 | n.a. | .... | n.a. |
| 1951..... | 22,700 | 1,127.1 | 4,530,000 | 1,351.6 | 200 | n.a. | .... | n.a. |
| 1953..... | 28,570 | 1,418.6 | 6,770,000 | 2,020.0 | 237 | n.a. | .... | n.a. |
| Dependents' coverage | | | | | | | | |
| 1945..... | 508 | 100.0 | 97,876 | 100.0 | 193 | n.a. | .... | n.a. |
| 1947..... | 580 | 114.2 | 246,000 | 251.3 | 424 | n.a. | .... | n.a. |
| 1949..... | 2,930 | 576.8 | 1,024,000 | 1,046.2 | 349 | n.a. | .... | n.a. |
| 1951..... | 12,200 | 2,401.6 | 3,416,000 | 3,490.1 | 280 | n.a. | .... | n.a. |
| 1953..... | 22,610 | 4,450.8 | 6,960,000 | 7,111.0 | 308 | n.a. | .... | n.a. |
| Group major medical expense | | | | | | | | |
| Employee coverage | | | | | | | | |
| 1952..... | 420 | 100.0e | 239,000 | 100.0e | 683 | n.a. | .... | n.a. |
| 1953..... | 650 | 154.8e | 514,000 | 177.9e | 791 | n.a. | .... | n.a. |
| Dependents' coverage | | | | | | | | |
| 1952..... | 400 | 100.0e | 243,000 | 100.0e | 608 | n.a. | .... | n.a. |
| 1953..... | 610 | 152.5e | 523,000 | 217.3e | 866 | n.a. | .... | n.a. |
| Group accidental death and dismemberment | | | | | | | | |
| 1945..... | 21,006 | 100.0 | 3,709,071 | 100.0 | 177 | 6,407,853f | 100.0 | 1,727.62f |
| 1947..... | 24,330 | 115.8 | 4,979,000 | 134.2 | 205 | 9,601,000f | 149.8 | 1,923.30f |
| 1949..... | 32,840 | 156.3 | 6,669,000 | 179.8 | 203 | 12,975,800f | 202.5 | 1,945.69f |
| 1951..... | 48,920 | 232.9 | 9,470,000 | 255.3 | 194 | 19,539,400f | 304.9 | 2,063.29f |
| 1953..... | 57,190 | 272.3 | 11,834,000 | 319.1 | 207 | 26,314,000f | 410.7 | 2,223.59f |

Source: Compiled from Annual Reports of Life Insurance Association of America

¹ Not including group indebtedness or wholesale life
^a 1943=100

^b Weekly benefit

^c Daily benefit

^d Maximum surgical benefit

^e 1952=100

^f Principal sum

n.a. Not available

Group major medical expense insurance, created for the purpose of enabling employees to finance catastrophic illness,¹ is the newest development in group coverage. While the number of contracts in force and

the number of persons insured is relatively insignificant compared with the other coverages, it promises to become the next major development in the insurance field.

¹For a description of this type of coverage see "Catastrophe Insurance for Major Medical Expenses," *Management Record*, October, 1953, p. 358.

F. BEATRICE BROWER
Division of Personnel Administration

Briefs on Personnel Practices

Management Information in Capsule Form

How can management people keep abreast of the great mass of timely information that appears each month in magazines, books, and other publications? Most companies recognize the value of some of this material for developmental purposes. The problem is how to select the important material and get it to management in condensed, easy-to-read form.

Some companies try subscribing to digest services. Others offer free subscriptions to selected publications. United Air Lines has developed an answer in its *Main-line Management Memo*, a six by nine inch magazine which it publishes every six weeks.

The magazine is designed to bring management information to supervisory personnel within the company. In each issue it reprints or condenses outstanding articles from outside sources and may highlight these for company readers with a report or interview from a company executive. The *Memo* is mailed to the homes of all management personnel. Printing is done by a local printer for about 6 cents a copy.

Although the company has not yet made a definite attempt to evaluate results, letters and comments from readers indicate the magazine's popularity. And there are some examples of tangible benefit, too. For instance, after reading an article on "How One Company Reduced Employee Turnover," two of the United Air Line reservation offices tried the technique involved. The happy result was that both offices reported a substantial reduction in turnover rate.

More Vitamins in the Lunch Box

Better box lunches—better, at least, from a nutritional viewpoint—are in the offing for male employees of Fawcett-Dearing Printing Company in Louisville, Kentucky. This is one of the benefits expected from the nutrition course which the company's medical department will sponsor in the fall for wives of company employees.

The course will be conducted in the plant activities center over a period of several weeks. Subjects to be covered include child feeding, marketing, and plan-

ning of menus in relation to cost and proper nutrition.

This is the third such venture to be conducted by the company's medical department and the first one since 1950. About 100 wives attended each of the preceding courses. The activities center is air-conditioned and soundproof, making it suitable for class work. It was built for employees in 1949.

Summer Training Program for Students

Last year the Sonoco Products Company of Hartsville, South Carolina, installed a new plan for the induction and training of young workers. The program was instituted particularly for the benefit of sons and daughters of Sonoco employees whose background, educational training and aptitude indicate that they may in the future hold regular positions with the company. In addition to being a son or daughter of a present, retired or deceased employee, the young person must be a high school senior, a college student, or be taking postgraduate work. He must be at least seventeen years of age and must be screened through the normal selection processes of the employment department. If there are not a sufficient number of applications from sons and daughters to fill all training spots, other students are accepted.

The summer training plan, as it is called, operated last summer with twenty-four sons of Sonoco employees who worked for two six-week periods. Now the plan has been extended to include daughters of employees. This summer the first of the two six-week training periods started on June 7. Twenty-four sons and eight daughters participated.

One purpose of the program is to give the student some practical experience not available within the school, which will help him and Sonoco to determine what phase of the company operations he may be best fitted for. A second purpose is to give the student some concept of the human elements in practical employee-management relations.

It is expected that the compensation received will enable students in financial difficulties to continue and complete their education.

Sales Incentive Plan Bolsters Carloadings

In a declining market, this carrier has found a way to keep carloadings at a high level. Here is how the plan works

COMPENSATING salesmen for their efforts is a perennial problem. It is really never solved because changes in sales practices and methods are unending. Sales managers reappraise compensation plans periodically and modify them to conform to specific company sales objectives. It is agreed no one plan is equally effective for the many types of sales organizations. And no single plan is equally effective in all market situations.

During periods of uncertainty, for example, sales managers desire the most flexible compensation plan possible. They want incentives but abhor windfalls for their salesmen. The salary and commission combination, when based on a sound, equitable and workable territorial arrangement, is viewed by sales managers as the backbone of a flexible compensation plan. Some sales managers prefer a third component, a bonus which increases the salesman's total earnings. Bonuses tend to motivate salesmen in performing those activities which are not usually covered by salary and/or commission.

In recent years, base salary plus incentive and/or bonus compensation plans have become increasingly popular. According to the "Survey of Salesmen's Compensation," conducted jointly by Harvard University's Graduate School of Business Administration and the National Sales Executives, incentive plans can be set up to cover virtually all of the salesmen's activities.

A COMBINATION PLAN

A combination bonus and incentive plan is helping the Chicago & Eastern Illinois Railroad to maintain freight revenues. The railroad's freight solicitors now receive additional pay for making more calls, obtaining new accounts and increasing carloadings in their territories. Freight solicitors are defined as salesmen who solicit freight patronage, quote freight rates and negotiate special arrangements for handling freight. The compensation plan is designed to stimulate freight solicitors to help achieve the railroad's objective: "keep carloadings at 1953 levels even though selling is tougher."

C&EI stockholders were recently apprised of the fact that theirs was one of the few railroads in the

nation whose carloadings were holding up on the basis of data released by the Association of American Railroads as of May, 1954. The combination bonus and incentive plan was given as one of the reasons why the C&EI was maintaining carloadings at levels comparable to those of the corresponding period in 1953. The management reports it can now evaluate more objectively freight solicitor's progress in those activities covered by the bonus and incentive plan. Freight solicitors who earn the bonuses usually get the merit increases, too.

HOW IT WORKS

When the plan was originally introduced, it was in the form of a contest that provided a maximum bonus of \$500 annually in addition to base pay and expenses. This year, anticipating a shrinkage in total carloadings for the nation, C&EI added an incentive plan which doubled the maximum bonus a freight solicitor could earn in a year. Although the formulas are somewhat complicated, the added compensation of \$1,000 per year is available to all freight solicitors who qualify. C&EI's plan includes no commission as such. It is paid on the basis of attaining defined volume levels. The two components of the combination plan are identified as "Put-and-Take Contest" and the "1954 Added Incentive Plan."

Under the Put-and-Take Contest, each freight solicitor has credited to his earnings account the sum of \$250 beginning January 1. For each calendar month that carloadings in his assigned territory increase by a minimum of 5% over the carloadings for the corresponding month of the previous year, an additional \$20 is credited to his earnings account. Should he fail to achieve the 5% monthly goal, his earnings account is debited in the amount of \$20—thus the tag, Put-and-Take Contest.

If at the end of the year an individual freight solicitor is successful in achieving his monthly quota for twelve consecutive months, his earnings account would have credits equal to \$490. This sum includes his original \$250 stake from management plus the \$20 for each of the twelve months. Management kicks in an additional \$10 making his total \$500. This sum is paid at the end of the year.

Another freight solicitor might succeed in making his quota for only eight of the twelve months. He would have total credits equal to \$330 at the end of the year. In this case, his earnings account is credited with \$410, which includes the original \$250 and \$160 for the eight successful months. However, there are four months when his carloadings were less than the 5% monthly goal, so he lost \$20 for each of these four months. His total credits of \$410 minus the total debits of \$80 made possible his additional earnings of \$330. If, on the other hand, a freight solicitor is unsuccessful in increasing carloadings for every one of the twelve months, he receives the minimum \$10 bonus at the end of the year—\$250 credit minus \$240 in debits.

ALL OR NOTHING

All C&EI freight solicitors are also eligible for the additional \$500 compensation under the 1954 Added Incentive Plan. This plan was announced at C&EI's sales meeting held last May. Therefore it is operative for only seven months of this year. In order to qualify for the incentive compensation, each freight solicitor must meet all four of the following requirements:

1. *Increase the number of sales calls by one per day or five per week.* Call record reports are submitted weekly to the home office by the freight solicitor. Current weekly records are compared with those of corresponding weeks of the previous year. Reference to the previous year's records enables the freight solicitor to plan for the additional calls on a daily and/or weekly basis.

2. *Obtain one additional traffic tip per week.* A traffic tip is a lead on a potential source of business to be followed up at the prospective shipping or receiving point. Like call records, traffic tips are reported weekly to the general traffic department.

Weekly reports of the current year are compared with those of corresponding weeks of the previous year.

3. *Obtain two new accounts per month.* A new account is defined as a shipper or receiver who routes a minimum of one carload via C&EI when this shipper or receiver has not specified C&EI as the carrier any time during the preceding twelve months.

4. *Increase carloadings by a minimum of 10% for five target accounts.* Each freight solicitor selected five accounts in his territory as potential prospects for increased carloadings in 1954. These selections were made prior to January 1 and identified as "1954 target accounts."

The incentive component of the C&EI plan, unlike the bonus contest, is on an all-or-nothing basis. The freight solicitor earns the \$500 or nothing.

Features of this combination bonus and incentive plan, from C&EI's point of view, meet the requirements of a flexible compensation plan. The method chosen for setting sales quotas makes it possible to attain them because the quotas are based on the individual freight solicitor's performance in the previous year. C&EI considers the plan sound because it knows how much business each territory can produce and how much of the available business it can obtain from the territory. It also knows what work load in terms of number of accounts, calls per day and physical coverage one freight solicitor can handle successfully.

The fact that the Chicago & Eastern Illinois Railroad's carloadings have remained at relatively high levels in a declining market indicates to the company that the bonus and incentive plan meets one of the basic needs of a salesman's compensation plan.

NICHOLAS L. A. MARTUCCI
Division of Personnel Administration

Management Bookshelf

Job Evaluation Methods—Second Edition—This volume, like the first edition published in 1946, is an exhaustive analysis of methodology and procedures of job evaluation. This second edition expounds upon the new concepts of job analysis, job measurement and job pricing that have been introduced and put into practice in recent years. There are sixteen chapters, each of which is confined to a single phase of job evaluation and wage and salary administration. *By Charles W. Lytle, The Ronald Press Company, New York, 1954, 507 pp. \$7.50.*

Labor Unions and National Politics in Italian Industrial Plants—An analysis of the battle being fought at the plant level for control of grievance committees by communist, left-wing socialist and noncommunist unions, and the influence of that battle on Italian politics and economic progress.

The book contains specific examples of Italian labor union contracts with employers. The author attempts to define the influence the Italian labor unions have had on the various governments of Italy, including the fascist government and the present republican government. *By Maurice F. Neufield, Report No. 1, Cornell International Industrial and Labor Relations Reports, Ithaca, New York, 1954, 146 pp. \$2.*

The Local Union, Its Place in the Industrial Plant—A survey and description of labor's most basic unit—the local union. It describes union-management relations, intra-union politics and pressures, union grievance procedure, election of local union officers and other details of local union practices. *By Leonard R. Sayles and George Strauss, Harper & Brothers, New York, 1953, 269 pp. \$3.50.*

Revised Consumer Price Index

The Board's consumer price index will have a new look soon. Here is the background on the many changes that are being made

THE BOARD'S consumer price index, published continuously since World War I, will have a new look in mid-September. The revised index for July will be the first index of the new series. For the past three years, the Board has devoted considerable research to modernizing this historical price yardstick in order to keep it an accurate measure of consumer price change. More precisely described as a measure of the price change of a fixed "market basket" of goods and services purchased by families of wage earners and clerical salaried workers, the consumer price index will continue to measure changes in the effective buying power of the urban wage earner's dollar from month to month.

One of the principal goals of the revision was to develop a modern weighting pattern. The "market basket" is the basic framework of the index. It is based on family spending habits. But these habits have changed appreciably during the last twenty years. Accordingly, while the old index reflected price changes in reference to purchasing patterns typical of the early Thirties, the new index will be based on family spending habits of the early Fifties.

Other major changes have been made to bring the index up to date. The list of goods and services priced has been revised and expanded. Such items as frozen foods, home purchase, and penicillin have been added. Population figures, used in combining the city indexes to obtain the national index, have been revised in accord with the 1950 Census. And a more recent base date—1953—has been selected as an appropriate reference point in time for the new index. (The current prewar base is January, 1939 = 100.) A number of other technical and operating procedures have been introduced to round out the revision and improve the over-all measure of price change. The basic concepts, however, have not been altered nor will the historical continuity of the index be broken.

The new index for the United States will cover forty cities (instead of thirty-nine) with an individual index published for each city. In addition to the national urban index, the Board will continue to compile each month a preview index for ten large cities (publication precedes the complete index by approximately two weeks).

What the Index Measures

The index measures time-to-time changes in the cost of a fixed market basket of goods and services bought by the families of urban wage earners and salaried clerical workers. These families earned \$10,000 or less in 1950. The average income for the group is \$3,922 and the average family includes 3.4 persons. Use of the index to measure price changes for income and occupational groups other than these will be appropriate only to the degree of similarity in spending to the basic index family, or insofar as the users are willing to accept a general measure of price change. The wage earner-salaried clerical group constitutes such a large part of the urban population, however, that the index can be used as a measure of over-all urban retail price change.

The market basket is held constant so that price change alone will be reflected by the index. Changes in the level of living are not measured. Also to show changes in the total "cost of living," the market basket or quantities of goods purchased would have to be reassessed at each pricing period. Furthermore, since the index is constructed to measure price change over time only, it does not provide city-to-city comparisons of prices and levels of living.

The New Market Basket

Families are buying a wider variety of goods today than in the mid-Thirties and they are making purchases in different proportions than they were two decades ago. The increase in real incomes as well as the introduction of new products during the past twenty years have played an important part in changing family spending patterns. This is not the first change of its kind in the price series; the market basket of the Board's consumer price index has been revised a number of times in the past, in order to keep abreast of earlier changes in consumer buying.

The new market basket has been derived from the Consumer Expenditure Survey of 1950 made by the Bureau of Labor Statistics. This study of family spending in ninety-one separate localities provides adequate data for determining the weighting pattern for the new index. The basic data from this survey have been adjusted, where necessary, to correct for the unusual

buying that occurred in 1950 when South Korea was invaded. Special adjustments were made in expenditures for home purchase, automobiles, television receivers, and other consumer durables in housefurnishings.

Individual items were selected for pricing on the basis of their importance in family spending and as representative of groups of related items. For example, the expenditure for eggs is sufficient in size to warrant individual pricing. The expenditure for lamb is slight, however, and the price for a leg of lamb carries the total expenditure for all cuts of lamb in the index. Hence, the basic assumption made is that other lamb cuts move proportionately with prices for a leg of lamb. Other items have been selected in a similar way.

List of Items Priced and Component Indexes

The list of goods and services in the revised index will number approximately 300 as compared with 200 in the old index. The increase results from a more detailed measure of price change as well as a recognition of changes in the importance of the various items to family spending. For example, television sets, frozen foods, antibiotics, and baby foods were not included in the old index. They will be priced in the revised index.

An important change has been made in the treatment of expenditures for home purchase and maintenance. The index family has shown a marked trend toward home ownership since the early Thirties, and these shelter costs will be included in the new index in the same manner as other consumer durables. The small amount of expenditure for these items was considered as "investment" in the old market basket, and so was excluded from the index. Some other new items priced for the revised index are ice cream, cantaloupe, water, laundry and telephone services, group hospitalization, dog food, roller skates, film, and alcoholic beverages.

Shifts in family spending have also occurred in the major groupings such as food, housing, and apparel.

The component indexes in the revised index—food, apparel, housing, transportation, and sundries—recognize these changes. Transportation, the only completely new item group, was formerly a part of the sundries index. Expenditures for transportation are now considerably higher than in the 1930's. This upswing has made transportation an important part of the family budget and it now warrants a separate classification.

The housing index will include much more than before. Subcomponents included under housing will be: home purchase and maintenance, rent, household operations, fuel, utilities, and housefurnishings.

Population Changes and the National Index

The revised index will be based on forty city indexes, combined on the basis of population for standard metropolitan areas. These data from the 1950 Census have been introduced so that the national index will take account of the considerable population growth and migration which have occurred during the last decade. The city sample has also been reviewed for adequacy of national urban price coverage. The forty cities are chosen as representative of cities with populations of 50,000 and over in terms of population, income, climate and degree of industrialization. This figure of 50,000 is consistent with the lower limit established by the Bureau of the Census for "standard metropolitan areas." Standard metropolitan areas include 88% of the total urban population, according to the Census of 1950. Atlanta has been added to the thirty-nine cities surveyed previously to give a better national coverage.

Cities have been stratified according to population. Those selected will represent all nonsurveyed cities of that size class in the national index. All index cities over one million in population are included, however, according to their individual populations. Cities will be priced according to the schedule given below.

The composition of the ten-cities preview index will be slightly altered. Prices for Houston will be collected

Schedule of Cities Surveyed in the New Consumer Price Index

| <i>Every Month</i> | <i>A (Quarterly) January, April, July and October</i> | <i>B (Quarterly) February, May, August and November</i> | <i>C (Quarterly) March, June, September and December</i> |
|--------------------|---|---|--|
| Birmingham | Bridgeport | Akron | Atlanta |
| Boston | Cincinnati | Baltimore | Cleveland |
| Chicago | Erie | Chattanooga | Des Moines |
| Denver | Grand Rapids | Dallas | Evansville |
| Detroit | Minneapolis-St. Paul | Duluth-Superior | Huntington-Ashland |
| Houston | New Orleans | Richmond | Kansas City |
| Indianapolis | Newark-Northeastern | Rochester | Lansing |
| Los Angeles | New Jersey | St. Louis | Milwaukee |
| New York | Roanoke | San Francisco | Pittsburgh |
| Philadelphia | Seattle | Oakland | Portland, Ore. |
| | Syracuse | Wilmington | |

monthly and will be incorporated in the index in place of New Orleans, which will be priced quarterly in group A. The composition of the quarterly groups has been changed to give a better balance to each group in terms of city characteristics.

New Base Period and Item Pricing

The year 1953 has been selected as the new base period for the index (1953 = 100). The index base is a reference point in time; it has been shifted to a more recent period a number of times in order to facilitate price comparison in reference to current spending. Although the new base date will alter the appearance of the index, it will not alter the time-to-time price changes recorded by the old index for earlier periods. It will also coincide with the introduction of the new up-to-date market basket of goods and services that are being priced.

The index will also be published rebased to 1947-1949 = 100 in order to facilitate comparison with government statistical series. The historical series will include the new index after January, 1953, and the previously published "old" index for that period will be discontinued.

Each of the items in the index is described by a

specification designed to aid in measuring real price changes. Prices are collected monthly, quarterly, and annually by the Board from a sample of stores and service establishments in each of the forty cities. For example, food, apparel, and housefurnishings are priced monthly or quarterly; and rents, home repair, personal care, and physicians' services quarterly. Other items such as water rates, automobile insurance and the purchase of a home are surveyed annually.

Further Details Later

Only the highlights of the revised index have been mentioned in this article. Further details will appear in subsequent issues of the *Management Record*. In the meantime, the Board will be glad to furnish additional information to anyone using the index. The Board's staff is prepared to provide adjustment factors between the new and old indexes for wage negotiations or other purposes. A complete report on the revision of the consumer price index, including an explanation of the statistical techniques used in deriving the weighting pattern, as well as regular compilation procedures, will be published early in 1955.

OLIVE E. VAUGHAN
Statistical Division

Management Bookshelf

Economics of Labor Relations—A basic text in labor economics that has been completely revised and expanded to cover recent trends. Major portions of the book deal with union history and structure, collective bargaining, government and labor, and economics of the labor market. The newer and expanded sections detail bases for wage determination and economic aspects of the employees' search for security. *By Gordon F. Bloom and Herbert R. Northrup, Richard D. Irwin Co., Inc., Homewood, Ill. 784 pp. \$6.*

Teach Your Wife to be a Widow—This guidebook presents information that a wife would need should she become a widow. Written by the financial editor of the *New York Herald Tribune*, it discusses such subjects as insurance, real estate, the stock market, wills, local, state and federal taxes, and investments of all kinds. *By Donald I. Rogers, Henry Holt and Company, Inc., New York, 1953, 93 pp. \$2.*

Design for Decision—There are many valuable applications of the science of statistics to matters within the purview of the business man. The trouble is, statistics in the raw ordinarily are not to be approached without some heavy artillery from the fields of higher mathematics. And most executives shy clear of anything more complicated than a square root. This volume turns the neat trick of getting statistics from under the wraps of involved algebraic symbols without oversimplifying the case. This does not mean that the concepts it offers can be digested in

one easy reading. However, it does explain in an informal style some of the statistical tools that can be used profitably by the manager concerned with scientific prediction and decision making. *By Irwin D. J. Bross, The Macmillan Company, New York, 1953, 276 pp. \$4.25.*

Employment Psychology: The Interview—This book is written with the average employment interviewer in mind. About three fourths of the contents are devoted to an analysis of interviewing and to a discussion of ways of improving the interview as a tool of employee selection. Related topics, such as the application blank, job analysis methods, tests, and counseling, are treated briefly. A summary at the end of each chapter and bibliographical references add to the value of the book. *By Roger M. Bellows and M. Frances Estep, Rinehart & Co., Inc., New York, 1954, 295 pp. \$4.25.*

Principles of Industrial Psychology—Although industrial psychology is a relatively new field, many contributions have been made by its practitioners according to the authors of this volume. Some of these contributions are evaluated, notably those falling in two major areas: "Selection and Placement" and "Factors in Efficiency." Little or no attention is given to other subjects of interest to management, such as recruitment, merit rating, organization, communication, and geriatrics, although psychologists have interested themselves in them, too. The style is scholarly but not overly heavy. *By T. A. Ryan and P. C. Smith, Ronald Press, New York, 1954, 534 pp. \$5.50.*

Significant Labor Statistics

| Item | Unit | 1954 | | | | | | 1953 | Year Ago | Percentage Change | |
|--|-------------------|----------|----------|----------|----------|----------|----------|--------|----------|----------------------------------|----------------------------|
| | | June | May | Apr. | Mar. | Feb. | Jan. | Dec. | | Latest Month over Previous Month | Latest Month over Year Ago |
| Consumer Price Indexes | | | | | | | | | | | |
| (NIBC) All Items..... | Jan. 1939=100 | 185.4 | 185.5 | 184.5 | 184.2 | 183.8 | 184.0 | 182.7 | 181.2 | -0.1 | +2.3 |
| Food (b)..... | Jan. 1939=100 | 234.1 | 234.4 | 230.5 | 229.7 | 229.9 | 231.2 | 228.3 | 231.3 | -0.1 | +1.2 |
| Housing..... | Jan. 1939=100 | 137.6 | 137.5 | 137.5 | 137.3 | 136.9 | 136.1 | 135.2 | 131.3 | +0.1 | +4.8 |
| Clothing..... | Jan. 1939=100 | 149.7 | 150.2 | 150.3 | 150.6 | 150.3 | 150.4 | 150.9 | 150.9 | -0.3 | -0.8 |
| Men's..... | Jan. 1939=100 | 166.9 | 167.4 | 167.5 | 167.5 | 167.0 | 167.1 | 167.8 | 167.9 | -0.3 | -0.6 |
| Women's..... | Jan. 1939=100 | 135.0 | 135.5 | 135.5 | 136.2 | 136.1 | 136.1 | 136.5 | 136.4 | -0.4 | -1.0 |
| Fuel..... | Jan. 1939=100 | 138.7 | 139.0 | 141.8 | 142.1 | 142.1 | 142.1 | 140.7 | 138.5 | -0.2 | +0.1 |
| Electricity..... | Jan. 1939=100 | 94.4 | 94.3 | 94.1 | 93.5 | 93.5 | 93.5 | 93.5 | 93.4 | +0.1 | +1.1 |
| Gas..... | Jan. 1939=100 | 108.3 | 108.2 | 108.1 | 107.7 | 107.6 | 107.6 | 105.1 | 104.6 | +0.1 | +3.5 |
| Housefurnishings..... | Jan. 1939=100 | 160.4 | 160.5 | 161.7 | 162.4 | 162.8 | 162.9 | 163.4 | 164.0 | -0.1 | -2.2 |
| Sundries..... | Jan. 1939=100 | 186.6 | 186.7 | 186.8 | 186.4 | 185.3 | 184.7 | 184.3 | 178.5 | -0.1 | +4.5 |
| Purchasing value of the dollar..... | Jan. 1939 dollars | 53.9 | 53.9 | 54.2 | 54.3 | 54.4 | 54.3 | 54.7 | 55.2 | 0 | -2.4 |
| (BLS) All Items..... | 1947-1949=100 | 115.1 | 115.0 | 114.6 | 114.8 | 115.0 | 115.2 | 114.9 | 114.5 | +0.1 | +0.5 |
| Employment Status¹ | | | | | | | | | | | |
| Civilian labor force..... | thousands | * 65,445 | * 64,425 | * 64,063 | * 63,825 | * 63,725 | * 62,840 | 62,614 | —(K) | +1.6 | na |
| Employed..... | thousands | * 62,098 | * 61,119 | * 60,598 | * 60,100 | * 60,055 | * 59,753 | 60,764 | — | +1.6 | na |
| Agriculture..... | thousands | * 7,628 | * 6,822 | * 6,076 | * 5,875 | * 5,704 | * 5,284 | 5,438 | — | +11.8 | na |
| Nonagricultural industries..... | thousands | * 54,470 | * 54,297 | * 54,522 | * 54,225 | * 54,351 | * 54,469 | 55,326 | — | +0.3 | na |
| Unemployed..... | thousands | * 3,347 | * 3,305 | * 3,465 | * 3,725 | * 3,671 | * 3,087 | 1,850 | — | +1.3 | na |
| Wage Earners^{2, 3} | | | | | | | | | | | |
| Employees in nonagr'l establishm'ts.... | thousands | p 48,062 | r 47,920 | r 48,068 | 47,848 | 47,880 | 48,147 | 49,703 | 49,904 | +0.3 | -3.7 |
| Manufacturing..... | thousands | p 15,829 | r 15,835 | r 16,000 | 16,234 | 16,322 | 16,434 | 16,488 | 17,416 | n | -9.1 |
| Mining..... | thousands | p 742 | r 736 | r 749 | 772 | 790 | 805 | 809 | 846 | +0.8 | -12.3 |
| Construction..... | thousands | p 2,742 | r 2,631 | r 2,535 | 2,415 | 2,356 | 2,349 | 2,521 | 2,711 | +4.2 | +1.1 |
| Transportation and public utilities..... | thousands | p 4,039 | r 4,011 | r 4,008 | 3,992 | 4,039 | 4,069 | 4,240 | 4,260 | +0.7 | -5.2 |
| Trade..... | thousands | p 10,397 | r 10,366 | r 10,496 | 10,305 | 10,310 | 10,421 | 11,310 | 10,473 | +0.3 | -0.7 |
| Finance..... | thousands | p 2,106 | r 2,081 | r 2,075 | 2,057 | 2,044 | 2,033 | 2,064 | 2,037 | +1.2 | +3.4 |
| Service..... | thousands | p 5,594 | r 5,559 | r 5,506 | 5,406 | 5,380 | 5,377 | 5,272 | 5,576 | +0.6 | +0.3 |
| Government..... | thousands | p 6,613 | r 6,701 | r 6,699 | 6,667 | 6,639 | 6,659 | 6,999 | 6,585 | -1.3 | +0.4 |
| Production and related workers in manu'g Employment | | | | | | | | | | | |
| All manufacturing..... | thousands | p 12,426 | r 12,439 | r 12,590 | 12,818 | 12,906 | 13,002 | 13,107 | 13,985 | -0.1 | -11.1 |
| Durable..... | thousands | p 7,149 | r 7,209 | r 7,309 | 7,430 | 7,520 | 7,616 | 7,651 | 8,326 | -0.8 | -14.1 |
| Nondurable..... | thousands | p 5,277 | r 5,230 | r 5,281 | 5,388 | 5,386 | 5,386 | 5,456 | 5,659 | +0.9 | -6.8 |
| Average weekly hours | | | | | | | | | | | |
| All manufacturing..... | number | p 39.6 | p 39.3 | 39.0 | 39.5 | 39.6 | 39.4 | 40.2 | 40.7 | +0.8 | -2.7 |
| Durable..... | number | p 40.1 | p 39.9 | 39.7 | 40.0 | 40.2 | 40.1 | 40.8 | 41.4 | +0.5 | -3.1 |
| Nondurable..... | number | p 38.9 | p 38.5 | 38.0 | 38.8 | 38.8 | 38.5 | 39.3 | 39.7 | +1.0 | -2.0 |
| Average hourly earnings | | | | | | | | | | | |
| All manufacturing..... | dollars | p 1.81 | p 1.80 | 1.80 | 1.79 | 1.80 | 1.80 | 1.79 | 1.77 | +0.6 | +2.3 |
| Durable..... | dollars | p 1.91 | 1.91 | 1.90 | 1.90 | 1.90 | 1.91 | 1.90 | 1.87 | 0 | +2.1 |
| Nondurable..... | dollars | p 1.67 | 1.66 | 1.65 | 1.65 | 1.65 | 1.65 | 1.63 | 1.60 | +0.6 | +4.4 |
| Average weekly earnings | | | | | | | | | | | |
| All manufacturing..... | dollars | p 71.63 | p 70.74 | 70.20 | 70.71 | 71.28 | 70.92 | 71.96 | 72.04 | +1.3 | -0.5 |
| Durable..... | dollars | p 76.59 | p 76.21 | 75.43 | 76.00 | 76.38 | 76.59 | 77.52 | 77.42 | +0.5 | -1.1 |
| Nondurable..... | dollars | p 64.96 | p 63.91 | 62.70 | 64.02 | 64.02 | 63.53 | 64.06 | 63.52 | +1.6 | +2.3 |
| Straight time hourly earnings | | | | | | | | | | | |
| All manufacturing..... | dollars | e 1.77 | r 1.76 | 1.76 | 1.75 | 1.76 | 1.76 | 1.74 | 1.71 | +0.6 | +3.5 |
| Durable..... | dollars | e 1.86 | 1.86 | 1.85 | 1.85 | 1.84 | 1.86 | 1.84 | 1.80 | 0 | +3.3 |
| Nondurable..... | dollars | e 1.64 | 1.63 | 1.62 | 1.62 | 1.62 | 1.62 | 1.59 | 1.56 | +0.6 | +5.1 |
| Turnover rates in manufacturing² | | | | | | | | | | | |
| Separations..... | per 100 employees | p 3.1 | r 3.3 | 3.8 | 3.7 | 3.5 | 4.3 | 4.0 | 4.2 | -6.1 | -26.2 |
| Quits..... | per 100 employees | p 1.1 | 1.0 | 1.1 | 1.0 | 1.0 | 1.1 | 1.1 | 2.6 | +10.0 | -57.7 |
| Discharges..... | per 100 employees | p 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.4 | 0 | -50.0 |
| Layoffs..... | per 100 employees | p 1.7 | r 1.9 | 2.4 | 2.3 | 2.2 | 2.8 | 2.5 | 0.9 | -10.5 | +88.9 |
| Accessions..... | per 100 employees | p 3.6 | 2.7 | 2.4 | 2.8 | 2.5 | 2.8 | 2.1 | 5.1 | +33.3 | -29.4 |

¹ Bureau of the Census. ² Bureau of Labor Statistics.
³ The BLS has adjusted its non-farm employment and hours and earnings series to first quarter 1953 benchmark levels. The benchmark level is the total count of workers covered in each industry, and in this instance the data were received from government social insurance programs. The adjustment affects all figures since January, 1951. At the time of publication the only revised data available were for 1954 and June, 1953—a year ago. Estimates for December, 1953, are unadjusted, and not comparable.

* The figures for 1954 are a new series based on a revised sampling procedure. The old series has been discontinued. Figures for the 1953 months are still in the old series.
 b Food price during the week of the fifteenth.
 c Estimated p Preliminary r Revised
 (K) Labor Force data for a year ago not comparable with the new series.
 na Not available. n less than .05

NEW STANDARDS FOR NLRB JURISDICTION

THE National Labor Relations Board announced several changes in its standards for determining whether it will take jurisdiction of a case. The NLRB took this action under the Taft-Hartley Act, which gives the board the power to determine which cases affecting interstate commerce it will exercise jurisdiction over. The last time the board exercised this power was in October, 1950, when the composition of the NLRB was entirely different. The board's changes will take effect immediately and will be applied to pending cases as well as those filed after announcement of the new standards.

The NLRB made the following changes in its jurisdictional standards:

1. Increased the amount of direct outflow of interstate business required to bring a company under its jurisdiction from \$25,000 a year to \$50,000 a year.

2. Increased the amount of goods or services that must be supplied to interstate companies to bring the supplier under the board's jurisdiction from \$50,000 a year to \$100,000 a year.

3. Established a requirement that the goods supplied by firms under paragraph 2 above ultimately go outside the state or the services supplied be part of the stream of interstate commerce. (There was no such requirement in the former standards.)

4. Established a requirement that intrastate trucking companies and similar firms which are "links in interstate commerce" do at least \$100,000 a year business for other interstate firms in order to come under board jurisdiction. (The former standards did not contain any dollar criterion in this category.)

5. Announced that jurisdiction will *not* be exercised over general or public office buildings merely because they have tenants over which the board exercises jurisdiction.

6. Announced that a franchise from a national enterprise will not be sufficient in and of itself to bring a company under the board's jurisdiction.

7. Established two standards for retail stores, one to govern in cases involving stores operating entirely within one state and the other to govern in cases involving chain stores operating in more than one state. The new standards are:

a. A single independent retail store or a chain of stores operating entirely within one state will not come under the board's jurisdiction unless the store involved in the case has

(1) purchases amounting to at least \$1 million a year coming to it directly from outside the state, or

(2) purchases of \$2 million a year coming to it indirectly from outside the state, or

(3) if the store ships \$100,000 worth of merchandise into other states.

b. A store which is part of a chain operating in more than one state will come under board jurisdiction if

(1) the store meets any of the standards listed for intrastate stores, or

(2) the gross sales of the chain amount to \$10 million or more per year.

(The former standards for stores were \$500,000 a year direct purchases or \$1 million indirect purchases, or \$25,000 a year sales made outside the state.)

8. Announced it would assert jurisdiction over radio and television stations only if their gross revenue amounts to at least \$500,000 a year. (The former standards placed no limit on jurisdiction of broadcasting stations or newspapers if their operations affected interstate commerce.)

9. Established a requirement that utilities, such as power, gas and water companies, and intrastate transit companies must do a gross business of \$3 million a year or more to come under NLRB jurisdiction, and set a \$100,000 gross revenue requirement for interstate transit systems. (The NLRB formerly took jurisdiction of all utility and transit systems, except railroads and airlines, whose operations affected interstate commerce.)

10. Set up the following three tests for companies in business related to national defense to come under board jurisdiction:

a. Goods or services supplied relate directly to the national defense.

b. Such goods or services are furnished pursuant to a government contract.

c. Value of these goods or services amounts to at least \$100,000 a year.

(The board formerly took jurisdiction of any company doing any work affecting national defense.)

11. Set up the following tests for multistate enterprises to come within board jurisdiction:

a. To qualify, the plant involved must meet the outflow tests (\$50,000 a year in direct outflow or \$100,000 a year in goods furnished to an interstate company) or the inflow tests (\$500,000 a year in purchases coming to it directly from outside the state).

b. If the plant involved does not meet these tests, jurisdiction will nevertheless be asserted if the multistate enterprise, of which the plant is a part, has a total outflow of goods into interstate commerce totaling \$250,000 a year, taking the outflow of all its plants together.

12. Set up the following tests for companies which supply services to interstate companies to come within board jurisdiction:

a. An independent establishment must furnish services amounting to at least \$200,000 a year (formerly \$50,000) to certain types of interstate companies.

b. If the establishment is part of a multistate enterprise, jurisdiction will be asserted over any one establishment of the enterprise if the enterprise furnishes services amounting to \$1 million a year to interstate concerns.

13. Abolished the "combination category." Jurisdiction will not be determined by combining the percentages which a company has in each of the dollar-volume categories.

The NLRB indicated that the above changes were made by majority vote in specific cases and that the board's vote was not unanimous. The board said that dissents to the above rules will be included in decisions as they are issued.

APPLICATION OF NEW RULES

The first application of the NLRB's new jurisdictional standards was made by General Counsel George J. Bott when he dismissed two pending cases which had been taken under the old standards.

The two separate cases dismissed involved: (1) an automobile sales agency franchised by a national auto maker; and (2) a company manufacturing synthetic fireplace logs under a franchise from an interstate company.

Both the above companies operate solely within their home states. Jurisdiction in both cases was originally taken solely because the companies had franchises from interstate companies to make or sell a product of the interstate company. Neither had sufficient volume of interstate business otherwise to come within any other standard followed by the board in determining whether or not to assert jurisdiction over cases. Both these cases involved unfair labor practice charges, in which the NLRB general counsel has independent statutory authority over investigation and prosecution. Under the law, the general counsel's action in such cases is final.

Include Relatives in Bargaining Unit

The National Labor Relations Board has reversed its long-standing policy of excluding close relatives of management officials from the bargaining unit. In its stead it has laid down a new rule that such employees will be included in the bargaining unit unless it is shown that, because of kinship, the employee enjoys "a special status which allies his interest with those of management."

The ruling was made in a case involving the International Metal Products Company, a partnership company operated by Adam and Gust Goettl at Phoenix, Arizona. A majority of the board, in directing a representation election among the company's 215 production and maintenance employees, allowed seven relatives of the two partners to vote.

The relatives, which the board ordered to be in-

cluded in the bargaining unit, were a brother of the two partners, a brother-in-law, two nephews, two nephews by marriage and a niece by marriage. A son of one partner was excluded from voting under Section 2(3) of the Labor Management Relations Act, which excludes from the definition of employee "any individual employed by his parent or spouse."

Strikes During May

During May the number of workers involved in strikes, the number of strikes, and the total time lost all increased, according to BLS figures. There were 500 strikes in May, including some that had begun earlier in the year. These involved 230,000 workers for a total of 1,750,000 man-days of lost time. In April there were 450 walkouts involving 200,000 workers for a total of 1,200,000 man-days of lost time.

The 350 strikes that began in May involved approximately 180,000 workers. This total is larger than the 130,000 workers who were involved in strikes beginning in April. Only three of the strikes which began in May involved 10,000 workers or more. These three strikes were settled during the same month. All of them occurred in the construction industries.

Workdays lost due to strikes in the first five months of 1954 were substantially less than those due to strikes during the same period in other years since World War II.

Strikes During the First Five Months of 1954¹

| Period | Stoppages Beginning in Period | | All Stoppages in Effect During Period | | | |
|-------------------------------|-------------------------------|-------------------|---------------------------------------|-------------------|---------------|--------------------------------|
| | Number | Workers Involved* | Number | Workers Involved* | Man-Days Idle | % of Working Time ² |
| May 1954 ³ | 350 | 180 | 500 | 230 | 1,750 | .21 |
| April 1954 ³ | 300 | 130 | 450 | 200 | 1,200 | .13 |
| May 1953 | 596 | 313 | 869 | 406 | 3,770 | .42 |
| May 1952 | 518 | 363 | 800 | 1,200 | 8,020 | .96 |
| May 1951 | 440 | 166 | 621 | 249 | 1,820 | .21 |
| May 1950 | 485 | 354 | 723 | 508 | 3,270 | .44 |
| May 1947-49 (average) | 420 | 210 | 670 | 450 | 4,750 | — |
| January to May: | | | | | | |
| 1954 ³ | 1,325 | 540 | 1,450 | 610 | 6,000 | .14 |
| 1953 | 2,281 | 1,140 | 2,432 | 1,180 | 10,200 | .23 |
| 1952 | 2,326 | 2,110 | 2,456 | 2,150 | 17,700 | .42 |
| 1951 | 1,951 | 872 | 2,102 | 895 | 8,630 | .21 |
| 1950 | 1,644 | 825 | 1,764 | 960 | 21,700 | .62 |
| 1947-49 (average) | 1,649 | 1,060 | 1,767 | 1,090 | 16,300 | — |

Source: Bureau of Labor Statistics

*In thousands.

²All known work stoppages arising out of labor-management disputes, involving six or more workers and continuing a full day or shift or longer are included in reports of the Bureau of Labor Statistics. Figures on "workers involved" and "man-days idle" cover all workers made idle for one shift or longer in establishments directly involved in a stoppage. They do not measure the indirect or secondary effects on other establishments or industries whose employees are made idle as a result of material or service shortages.

³Estimated.

⁴Preliminary estimates.

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

UNIONS MOVE TO HOLD JOBS

ATTEMPTS to protect their members' jobs highlight activities of several unions that are confronted with companies going out of business or moving to a new location.

The AFL United Hatters, Cap and Millinery Workers, for example, arranged for a loan of \$250,000 to the Kartiganer Hat Corporation, reports the *AFL News-Reporter*. The company, which employs 1,500 people in three plants in New York and Massachusetts, will receive \$50,000 from the union and another \$200,000 from the workers themselves. Two conditions were attached to the union's loan, reports the AFL: "1) no cut in wages or established working conditions; 2) a union accountant be posted in the company's offices to keep watch on the safety of the union's investment."

The Hatters' action in loaning money to the hat company contrasts with its recently ended forty-five-week strike against the Hat Corporation of America, which cost the union \$2 million. But Hatters' president, Alex Rose, explains that sometimes the union must fight on the picket line while other times "it can best protect the interest of its members by providing financial assistance to the company upon which they depend for a livelihood." The company's president is quoted by the *AFL News-Reporter* as saying, "This is a very happy example of labor-management cooperation to keep a company in business and to protect the jobs of people who have hat making in their blood."

A different approach to job protection was taken by the AFL Ladies' Garment Workers' Union. In recent negotiations on the West Coast, the union won a no-moving clause in the three-year contract with the San Francisco Coat and Suit Association, reports *Justice*. The union believes the clause will act to safeguard the jobs of its members in the area.

On the East Coast, the CIO Textile Workers are battling to keep Alexander Smith, Inc. from moving out of New York, according to *The Advance* (Amalgamated Clothing Workers, CIO). To maintain jobs for 2,200 employees, TWUA joined forces with city and state officials to keep the company from moving south. The company's decision to move came during a strike by the TWUA against a proposed wage cut which, according to *The Advance*, amounted to almost \$1 an hour in some cases. The firm's decision to move

was not based on labor costs, reports *The Advance*, but on the need for a new, modern, efficient plant. The Textile Union in July signed a ninety-day extension of its contract with Alexander Smith, but warned against false hopes that the company would rescind its decision to move.

The employment picture in general in the textile industry has the Textile Workers worried, reports *The CIO News*. The union has asked that its representatives be allowed to attend the conference of the textile industry leaders called by Commerce Secretary Sinclair Weeks. At that time, the union hopes to put forth a program for strengthening the woolen and worsted industry.

Dubinsky Calls for Welfare Fund Legislation

Labor backing for federal legislation to provide "a minimum code of propriety and responsibility" in handling union welfare funds is sought by David Dubinsky, president of the AFL International Ladies' Garment Workers' Union. In a special article in *The American Federationist*, Mr. Dubinsky wrote that abuses of union welfare funds, even though such abuses are few, will give rise to a demand for punitive legislation. While calling for unions to fight such punitive measures, Mr. Dubinsky states that "we must begin to think about lending our support to legislation that may call for publication of the financial facts of welfare funds including administrative costs and commissions." According to Mr. Dubinsky, many of the abuses of the welfare funds rest with the fact that their administration is purely a local union matter; and many national unions lack constitutional authority to check the local's administration of the funds. In his own ILGWU, Mr. Dubinsky explains that the international has constitutional authority to audit the local union's book-keeping and also has established a 5% maximum on commission fees.

Union Mergers Still Pending

Plans for merger of the CIO Rail Road Workers' Union with the CIO Transport Workers were approved by Walter Reuther, reports *The CIO News*. The Rail Union, with a reported 40,000 members, will become a division of Michael Quill's union, which claims 110,000 members. Mr. Quill will remain as president of the enlarged union. Also in the wind is a merger of the CIO's Gas, Coke and Chemical Workers Union with the CIO Oil Workers Union. The two unions claim overlapping jurisdiction in certain industries, particularly the petrochemical plants. Discussions are described by both unions as purely exploratory so far. The *United*

Chemical Worker estimates the strength of the amalgamated union would be 250,000 members.

Possible merger of the CIO Textile Workers Union with the AFL's United Textile Workers was also reported by *The CIO News*. Rumors of the merger plans followed a meeting of the two unions last month. However, AFL Textile Union President Anthony Valente denied the merger between the two unions, according to a later report in the *AFL News-Reporter*. Mr. Valente insisted that discussions centered about implementing the AFL-CIO no-raid pact. Unity between the two textile unions, according to Mr. Valente, must wait for organic unity between the CIO and AFL.

Packinghouse Workers Chart Ten-year Gains

In the ten years since its founding in October, 1943, the United Packinghouse Workers, CIO, claim to have doubled both membership figures and wage rates. The union's 70,000 members in 1943 have grown to 150,000 members in 1953, according to *The Packinghouse Worker*. The common labor rate for meat packing workers in the Chicago metropolitan area is placed at \$1.50 per hour in 1953 as against 72.5 cents per hour ten years ago. The wage differential for men and women in the metropolitan area has fallen from 10.5 cents to 5 cents according to the report; and the regional wage differential (Southwest versus rural metropolitan) has dropped from 25 cents to 8 cents according to *The Packinghouse Worker*.

IUE Claims Membership Gains

Membership of the CIO Electrical Workers Union increased 42,000 during the first six months of 1954, reports *The IUE-CIO News*. The biggest gain came when the 20,000-man unit of G. E.'s Schenectady works switched from UE to IUE. IUE tallies of gains show thirty-nine election victories. These include nine units which were formerly with UE, and twenty-two which were formerly unorganized. A switch of eight locals of the CIO's Plaything and Novelty Workers Union (which is now part of the CIO Retail Union) also is tallied among IUE's gains.

Teamster Staff Turns Down Office Union

Office workers in the Washington headquarters of the AFL's Teamsters' union turned thumbs down on the AFL Office Employees' Union by an NLRB vote of twenty-eight to one, reports *The CIO Brewery Worker*. A Teamster local tried to intervene in the election, but withdrew when the OEIU threatened to charge the Teamsters with attempting to set up a company union. Contemplating the OEIU's loss, the CIO's *Brewery Worker* comments "you don't have to be a great analyst to figure this one out."

AFL's Auto Workers Go West

Having set the southwestern states as its new organizing target area, the AFL United Automobile Workers' union will move its international headquarters to Los Angeles, California, reports the *Union Labor Record* (AFL, Mo.). In making the move, the AFL Automobile Workers becomes the only AFL union with national offices on the West Coast. Since 1944, its headquarters have been in Milwaukee, Wisconsin. The move was decided upon after studies and sur-

veys demonstrated to the AFL union that the ten southwestern states were among the leaders in growth potential. As analyzed by the union: "the southwestern states were represented in practically all surveys as being among the leading first ten states in increased population, increase in total income for the area of the state, increase in per capita income, growth of manufacturing and influx of manufacturing, and even the fastest in agricultural growth."

Honeymooners Get Strike Benefits

"Love conquers all" got a new application last month when a Wilkes Barre local of the CIO's Newspaper Guild approved strike benefits for honeymooners. The union, involved in a long strike, found four of its members whose wedding plans coincided with the union's strike plans. Rather than have the members spend their honeymoons on the picket lines, the *Guild Reporter* says the local passed a resolution stating in part: "Whereas, believing each of us that love is beautiful and should culminate in the holy bonds of matrimony and

"Whereas, we know the temporary loss of one or more of our members will not endanger the success of our strike, be it

"Resolved that for the duration of the strike we will give any member a vacation of two consecutive weeks of his or her choosing with full strike benefits for the purpose of marriage. With these we offer you our prayers and best wishes for happiness."

Union Pickets Fly High

Enjoined from picketing the premises of a Miami Beach restaurant, the AFL Hotel and Restaurant Employees' Union took to the sky, reports *The St. Louis Union Labor Advocate* (AFL). The union hired a plane to tow its message across the Miami skies on week ends.

HAROLD STIEGLITZ

Division of Personnel Administration

AFL Bakers Say "Let 'Em Eat Cake"

Birthday cakes are recommended to employers by the AFL Bakers as an aid to good employer-employee relations. The Bakers union contends that employers often give token remembrances to employees. "What could be more appropriate than for an employer to say happy birthday to his employees through the medium of a beautifully decorated birthday cake." The Bakers union concedes that its basic idea is, "what helps the bakery industry helps the members." Spot checks of several communities have revealed that there is a market for the idea, says the union, as it calls upon the bakery industry to follow up with the plan.—St. Louis Tribune, AFL, Mo.

Strike Strategy—"After You, Gaston"

Railroad unions in Kansas say they have a secret strike weapon available to no other unions in the country. And it's 100% legal, declare the union men. The weapon is an ancient state law which requires: "When two trains approach each other at a crossing, they shall come to a full stop and neither shall start until the other has gone."—Union Labor Record AFL, Missouri.

Briefs on

PENSIONS AND OTHER BENEFITS

Steel Pattern on Pensions and Insurance Emerges

The United States Steel Corporation and the United Steelworkers, CIO, signed an agreement on June 30, which, among other things, liberalized the pension and insurance programs. The other major steel companies later negotiated similar agreements with the union.

The agreement provides for a minimum pension of \$140 a month for thirty years' continuous service at the attainment of age sixty-five. For each year of service less than thirty, the pension is reduced by \$2 a month. Social Security benefits are deducted from the company pension but the maximum deduction is to be \$85 a month. Any future raises in the government pension will be passed on to the retired employees.

The benefits under the insurance program are to be agreed upon by the companies and the unions by September 1. Contributions for the insurance plan have been increased from 5 cents to 9 cents per man-hour worked, one-half to be contributed by the company and one-half by the employees. The text of the United States Steel Corporation agreement with the union, as it applies to the insurance and pension programs, is as follows:

Insurance (effective November 1, 1954)

"Contributions to the joint program of insurance benefits shall be increased to an aggregate of 9 cents for each hour worked beginning November 1, 1954, one-half of which shall be paid by the employees and one-half of which shall be paid by the companies.

"The benefits which shall be included in the new joint program of insurance benefits shall be agreed to by the parties prior to September 1, 1954.

"The companies shall discontinue their charges against the joint insurance program for costs of administration.

Pensions (effective November 1, 1954)

"Subject to the procedures for change specified in the general pension provisions of the plan for employee pension benefits (revision of 1950) of the company, changes in substance as follows shall be made in the existing pension plan in so far as it applies to the employees in the bargaining units represented by the union who, after October 31, 1954, shall retire and become entitled to a pension:

"(a) The minimum monthly pension (subject to all deductions provided for in present pension provisions, except as provided in (b) below) for an employee with thirty years of continuous service and at age sixty-five shall be \$140. Such minimum shall be reduced by \$2 for each year by which continuous service is less than thirty.

The minimum monthly pension for total and permanent disability shall be increased from \$50 to \$75 (subject to all deductions provided for in present pension provisions, except as provided in (e) below.)

"(b) The deduction for public pension related to title II of the Social Security Act shall be \$85 (the maximum primary insurance amount under the present Social Security law).

"(c) In the case of a disability pension, there shall be deducted from the total number of months which shall be used in computing the average monthly compensation of an employee during the period of 120 months prior to his retirement, each full calendar month that he shall have been absent without pay because of disability during the last six months of such period.

"(d) In computing the pension of an employee who during the period of 120 months prior to retirement has served as a member of the grievance committee (not to exceed thirteen members at any time at any plant) or as president, vice-president, recording secretary, financial secretary, and/or treasurer of a local union, and for that reason has been absent from work during that period, the actual earnings of such employee for that period shall be adjusted for the purposes of computing pensions so that they shall be fairly representative of his normal earnings if he had not been so absent.

"(e) There shall not be deducted from any pension for permanent and total disability any payments which shall be received by the pensioner under any Workmen's Compensation law or occupational disease law for any disability in the nature of a permanent disability.

Pension Geared to Cost of Living

National Airlines, Inc., Washington, D. C. has announced a new pension plan which provides for the adjustment of retirement benefits on the basis of the consumer price index of the Bureau of Labor Statistics. The cost of living adjustment is based on a twenty-four months' moving average, and is determined on the first day of the month after the employee reaches sixty-five. The cost of living adjustment is checked semiannually, and if the current cost of living figure is more than 105% or less than 90% of the base, the pension is increased or decreased by the difference. For example, if the cost of living figure goes to 109% of the base, the pension will be increased 4% above the standard pension, as determined for the individual. The same sequence applies in reverse if the cost of living falls below 90% of the standard pension. As a

safety measure, the plan provides that no six months' adjustment either up or down will exceed 5% of the pension payable immediately prior to the adjustment.

The plan provides for a trust fund and its soundness is checked each year by actuaries.

Reporting to Employees on Retirement

Crown Zellerbach has issued its eighth annual report on its retirement plan. The contributions to the fund and the amounts paid to retired employees since 1946 are charted, while the summary of transactions for 1953 is shown in tabular form. The major portion of the twenty-eight page booklet, however, is given over to the activities of retired employees and the many different ways in which they are utilizing their leisure time. It also contains a list of annuitants classified by the different plants.

Growth of Insured Pension Plans

Since 1940, the number of insured pension plans has increased from 1,530 to 15,730 in 1953—a tenfold increase. The number of employees covered is over five times as great, 685,000 in 1940, contrasted to 3,940,000 in 1953. All types of insured pension programs shared in the increase, as shown in the accompanying tabulation.

| Type of Insured Plan | Number of Plans | | Number of Employees Covered | |
|---------------------------------|-----------------|--------|-----------------------------|-----------|
| | 1940 | 1953 | 1940 | 1953 |
| Group annuity | 770 | 3,280 | 575,000 | 2,285,000 |
| Deposit administration | 20 | 650 | 65,000 | 730,000 |
| Individual policy pension trust | 440 | 10,470 | 15,000 | 610,000 |
| Other types | 300 | 1,330 | 30,000 | 315,000 |
| Total | 1,530 | 15,730 | 685,000 | 3,940,000 |

The individual policy type constitutes about two-thirds of the total insured pension plans, 10,470 out of 15,730. Most of the individual policy plans are found in the smaller companies, or cover small selected groups of employees in a large company. As a consequence, the average coverage is fifty-eight persons. The number of deposit administration plans, which are a relatively new development, has increased from twenty in 1940 to 650 in 1953, with a coverage of nearly three quarters of a million employees, or an average of 1,123 employees per plan. The average coverage under the 3,280 group annuity plans is nearly 700 employees.

Stock Ownership Feature Added to Profit Sharing

Jewel Tea Company stockholders have voted to amend the profit sharing and retirement trust so as to permit the company to make its annual contribution in the company's common stock. The resolution pro-

vides that the number of shares of stock so issued may not exceed 60,000 shares, and the valuation placed on these shares shall not be less than 95% of the price at which the most recent sale of the company's common stock was made on the New York Stock Exchange.

Recent Books on Employee Benefits

Industrial Pensions—By Charles L. Dearing, *The Brookings Institution, Washington, D.C., 1954, \$3.75.*

Profit Sharing Patterns—By P. A. Knowlton, *Profit Sharing Research Foundation, Evanston, Illinois, 1954, \$10.50.*

Management and Union Health and Medical Programs—By Margaret C. Klem and Margaret F. McKiever, *United States Department of Health, Education, and Welfare, Public Health Service, Washington, D. C., 1953, \$1.*

Retirement Income Plans for Outside Salesmen—By H. H. Maynard and Phillip McVey, *National Sales Executives, New York, 1953, \$2.*

Rehabilitation of the Older Worker—*Michigan University Conference on Aging, edited by Wilma Donahue, James Rae, Jr., and Roger B. Berry, University of Michigan Press, 1953, \$3.25.*

F. BEATRICE BROWER

Division of Personnel Administration

Seminars Sharpen Management Skills

The American Enka Corporation has set up a series of in-company seminar groups to provide additional opportunities for its management personnel to learn about the company and its functions. The philosophy and general principles of Enka management, as well as some of the technical and basic human relations skills of effective supervision will also be studied.

Inherent in the company's philosophy is the conviction that the teaching experience should be afforded to as many people as possible. Consequently, most of these seminars are being led by the company's own personnel. A few of them will be under the leadership of outside consultants and university authorities.

Company Helps Employees to Wed

Employees of Aldens, Inc., Chicago, are given an assist by the company medical department when they decide to sound the wedding bells. The medical unit, Aldens Hospital, will issue the physician's certificate necessary to obtain a marriage license in Illinois if the employee wants to have the required blood test at the company hospital. There is no charge for the test and the program is limited to Aldens employees.

Since the service was initiated sixteen months ago, more than fifty employees have taken advantage of it. The hospital is staffed by three nurses and a part-time doctor.

Review of Labor Statistics

THE BOARD'S consumer price index for thirty-nine United States cities was practically unchanged in June. The index of 185.4 (January, 1939 = 100) was just shy of the new all-time high reached in the previous month when the over-all figure increased 0.5% to reach 185.5.

Mostly responsible for the increase in the May index was the relatively large advance (1.7%) in the prices reported for food. This was the second consecutive month that higher food prices more than offset declines in the prices of other commodities and services included in the index, causing the all-items index to reach new all-time peaks in both April and May.

There was little change in food prices over the month, leaving the index for June at 234.1—just three-tenths of an index point lower than that for May.

The housing index, which reflects the movement of residential rents, remained unchanged in May at 137.5, following an insignificant increase from March to April. The June figure of 137.6 shows little change from the month before, and seems to indicate that the prices paid for shelter are currently stabilizing at about 5% above what they were a year ago.

During May, the largest decrease of any component occurred in the fuel index. Though prices of gas and electricity registered slight upward movements during the month, the total fuel index dropped 2.0% to 139.0. This decline, as well as the one which occurred in April, was attributed to seasonal price adjustments in other fuels. The fuel index for June (138.7) was slightly lower than in May with price declines in other fuels again offsetting the negligible upward movement occurring in the indexes for gas and electricity. The fuel index for June is just about at the level of a year ago. Indexes for gas and electricity are 3.5% and 1.1%, respectively, above what they were in June, a year ago.

The clothing index declined slightly in June (0.3%) to 149.7. Prices reported for men's and women's apparel were down 0.3% and 0.4% from May levels. These indexes, which have changed very little in the past several months, now stand at 166.9 and 135.0, respectively. Men's clothing prices are 0.6% below what they were a year ago while those for women's apparel are 1.0% lower than last year's figure.

Housefurnishings registered a drop of 0.7% in May and showed an almost insignificant decrease in June.

This index has shown small but steady decreases since November of last year, though it had been relatively stable during the earlier part of the year. The housefurnishings index, now at 160.4, is 2.2% below what it was in June, 1953.

The purchasing value of the consumer dollar was 53.9 cents in May (January, 1939, dollar = 100 cents). This represents a 0.6% decrease from what it was in April. Though the purchasing value remained unchanged from May to June it was still 2.4% below a year ago.

EMPLOYMENT

In contrast to the usual seasonal pattern, unemployment increased only slightly between May and June, according to the Departments of Labor and Commerce.

Total unemployment was estimated at 3,347,000 in early June, a little higher than the May figure of 3,305,000. Total employment rose by about a million, to reach 62.1 million. This was about 1 million under the all-time high for June recorded a year ago. As expected, most of the pickup was in agriculture, which rose by 800,000 to reach an estimated 7.6 million. The additions to farm employment were mostly housewives and young persons helping out on family farms. Non-farm employment rose by 142,000 to reach 48.1 million in mid-June. The job situation in manufacturing industries remained unchanged at 15.8 million as the usual seasonal expansion in nondurable goods was offset by a decline of 64,000 in the number of workers in durable goods plants.

The absence of the customary rise in unemployment resulted both from an upswing in employment and the smaller than usual influx of students into the labor market. As has been the case for the past two months, many previously jobless men found employment in construction. June also brought the first break of any consequence in the number of relatively long-term unemployed (those seeking jobs for fifteen weeks or longer), which had remained at the 1 million mark since March. In June, this figure dropped by 200,000 to an estimated 850,000. With these changes, the proportion of all male workers twenty-five years old and over who were not employed edged downward to 3.8% from 4.1% in May and from about 5% earlier in the year. The unemployment rate for all civilian workers

remained, however, at 5.1%, the highest for the month of June in the postwar period, with the exception of 1949 and 1950.

The number of students entering the labor force between May and June was somewhat smaller than in most other postwar years. About 1.5 million students, who had been outside the labor force in May, were either employed or looking for jobs in the week ending June 12; the comparable average for the preceding six years was around 1.8 million. Furthermore, only about one-quarter of the young entrants this year were still unemployed by the time of the June canvass, a proportion that was no higher than in some years of peak employment opportunities. This fact suggests that some who were interested in summer work but did not have definite jobs in sight may have postponed their entry into the labor market until later in June or until July.

NONFARM EMPLOYMENT

The BLS has announced that nonfarm employment rose by 140,000 between May and June to reach a total of 48.1 million. The main rise occurred in construction, food processing and other seasonal activities, but this was offset by a further drop in employment in durable goods manufacturing.

The manufacturing employment total of 15.8 million remained unchanged from May to June, but was 1.6 million below June of last year, and, excluding June, 1952, which was affected by strikes, was the lowest for the month since 1950. It was, however, more than 1 million above the June, 1950, level. The decline of 64,000 in the durable goods sector was much

less sharp than in previous months. In primary and fabricated metals, where employment losses had previously been large, the latest figures show a halt in the downtrend. On the other hand, there is little evidence of a slackening in the decline in a number of industries—ordnance, machinery, electrical machinery, transportation equipment and instruments, as well as miscellaneous manufacturing.

Employment in nondurable goods manufacturing increased by approximately 60,000 over the month, as usually happens this time of year. Apparel, however, lost 14,000 workers as production lagged in the fall lines of women's outer wear.

Employment in the nonmanufacturing sector generally showed seasonal gains between May and June. Contract construction continued to expand, adding more than 100,000 workers over the month. Both transportation and mining added workers to their payrolls, which contrasts with the declines of previous months. Nevertheless, employment in mining at 740,000 was 100,000 below the June figure of last year, while June transportation employment of 4.0 million was 220,000 below the corresponding 1953 level.

In the service and finance industries, employment rose to new peaks for the month. These industries have been consistently strong throughout the downturn of the past year.

HOURS AND EARNINGS

The workweek of factory production workers averaged 39.6 hours in June, a third of an hour higher than May. In most industries, changes in weekly hours were in line with seasonal expectations. The May-to-June gains in hours were the largest recorded for the month in the postwar period in the primary metals and furniture industries.

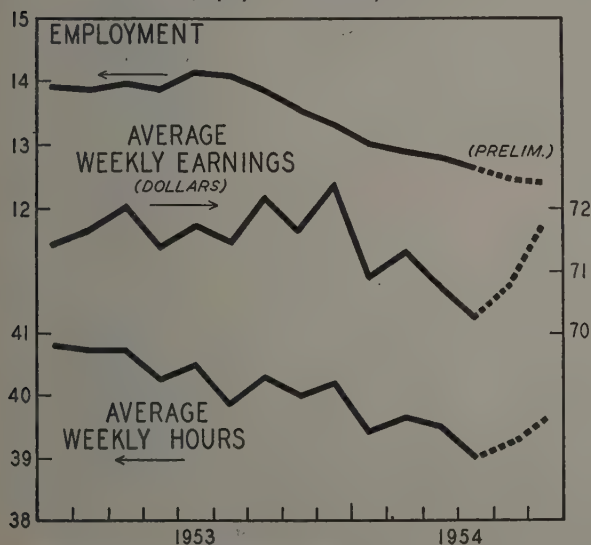
Despite the recent gains in hours of work, the June average of 39.6 was 1.1 hours below the June, 1953, figure of 40.7 hours. All manufacturing industry groups, except tobacco, petroleum, and chemicals, showed some over-the-year loss in weekly hours. The reductions were less than one hour in rubber, food, printing, transportation equipment, and paper industries. Losses of an hour and a half or more were recorded in primary metals, machinery, textiles, instruments, ordnance, and leather.

Average weekly earnings for factory workers increased 94 cents between May and June to reach \$71.68. As a result, the average weekly pay of factory production workers in June was only 36 cents below last year's postwar peak for the month.

Most industry groups reported some over-the-month gains in weekly pay. The largest—over \$3—was registered in rubber, while gains of \$1.50 were recorded in the primary metals, furniture, and leather industries. As a result of a shortened workweek, declines in weekly earnings were experienced by workers

Employment, Earnings and Hours of Production Workers, April, 1953 to June, 1954

(Employment in millions)



Based on BLS revised benchmark levels.

Consumer Price Indexes for Cities Surveyed Quarterly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

| | Index Numbers Jan., 1939 = 100 | | | Percentage Changes | | | Index Numbers Jan., 1939 = 100 | | | Percentage Changes | |
|-------------------------|-----------------------------------|-----------|-----------|------------------------------|------------------------------|-------------------------|-----------------------------------|-----------|-----------|------------------------------|------------------------------|
| | June 1954 | Mar. 1954 | June 1953 | Mar. 1954 to June 1954 | June 1953 to June 1954 | | June 1954 | Mar. 1954 | June 1953 | Mar. 1954 to June 1954 | June 1953 to June 1954 |
| Cleveland | | | | | | Lansing | | | | | |
| Food..... | 242.0 | 239.0 | 236.4 | +1.3 | +2.4 | Food..... | 268.1 | 258.1 | 258.3 | +3.9 | +3.8 |
| Housing..... | 139.4 | 138.2 | 130.9 | +0.9 | +6.5 | Housing..... | 137.6 | 136.9 | 134.4 | +0.5 | +2.4 |
| Clothing..... | 163.9 | 165.1 | 164.7 | -0.7 | -0.5 | Clothing..... | 154.9 | 155.5 | 154.9 | -0.4 | 0. |
| Fuel ¹ | 148.8 | 151.6 | 147.2 | -1.8 | +1.1 | Fuel ¹ | 149.4 | 155.1 | 148.5 | -3.7 | +0.6 |
| Housefurnishings..... | 167.4 | 173.1 | 173.4 | -3.3 | -3.5 | Housefurnishings..... | 160.5 | 163.7 | 161.9 | -2.0 | -0.9 |
| Sundries..... | 192.2 | 192.6 | 187.0 | -0.2 | +2.8 | Sundries..... | 191.0 | 189.7 | 187.6 | +0.7 | +1.8 |
| Weighted total..... | 190.3 | 189.9 | 185.9 | +0.2 | +2.4 | Weighted total.... | 192.5 | 189.9 | 188.2 | +1.4 | +2.3 |
| Des Moines | | | | | | Milwaukee | | | | | |
| Food..... | 233.8 | 235.1 | 233.0 | -0.6 | +0.3 | Food..... | 254.0 | 239.8 | 246.9 | +5.9 | +2.9 |
| Housing..... | 124.7 | 125.8 | 125.6 | -0.9 | -0.7 | Housing..... | 180.8 | 180.7 | 178.7 | +0.1 | +1.2 |
| Clothing..... | 161.6 | 161.3 | 162.0 | +0.2 | -0.2 | Clothing..... | 158.1 | 158.7 | 159.9 | -0.4 | -1.1 |
| Fuel ¹ | 162.4 | 162.9 | 159.3 | -0.3 | +1.9 | Fuel ¹ | 143.8 | 145.6 | 141.3 | -1.2 | +1.8 |
| Housefurnishings..... | 163.1 | 160.7 | 167.0 | +1.5 | -2.3 | Housefurnishings..... | 174.2 | 177.0 | 177.6 | -1.6 | -1.9 |
| Sundries..... | 172.2 | 172.3 | 167.2 | -0.1 | +3.0 | Sundries..... | 192.7 | 192.2 | 190.3 | +0.3 | +1.3 |
| Weighted total..... | 178.5 | 179.0 | 176.8 | -0.3 | +1.0 | Weighted total.... | 200.0 | 196.0 | 197.0 | +2.0 | +1.5 |
| Huntington | | | | | | Pittsburgh | | | | | |
| Food..... | 223.6 | 221.0 | 221.2 | +1.2 | +1.1 | Food..... | 244.1 | 233.2 | 236.7 | +4.7 | +3.1 |
| Housing..... | 129.3 | 129.0 | 127.6 | +0.2 | +1.3 | Housing..... | 154.7 | 152.2 | 141.0 | +1.6 | +9.7 |
| Clothing..... | 152.3 | 152.6 | 151.0 | -0.2 | +0.9 | Clothing..... | 150.0 | 150.1 | 150.1 | -0.1 | -0.1 |
| Fuel ¹ | 121.7 | 121.7 | 117.5 | 0 | +3.6 | Fuel ¹ | 151.6 | 154.5 | 154.4 | -1.9 | -1.8 |
| Housefurnishings..... | 147.3 | 149.4 | 151.5 | -1.4 | -2.8 | Housefurnishings..... | 144.7 | 145.1 | 146.7 | -0.3 | -1.4 |
| Sundries..... | 181.2 | 180.9 | 173.5 | +0.2 | +4.4 | Sundries..... | 179.8 | 179.0 | 179.6 | +0.4 | +0.1 |
| Weighted total..... | 179.3 | 178.5 | 175.6 | +0.4 | +2.1 | Weighted total.... | 189.5 | 185.3 | 184.5 | +2.3 | +2.7 |
| Kansas City, Mo. | | | | | | Portland | | | | | |
| Food..... | 213.1 | 210.5 | 213.1 | +1.2 | 0 | Food..... | 243.0 | 237.2 | 238.1 | +2.4 | +2.1 |
| Housing..... | 119.1 | 119.0 | 114.5 | +0.1 | +4.0 | Housing..... | 143.8 | 143.8 | 143.3 | 0 | +0.3 |
| Clothing..... | 153.1 | 153.4 | 156.7 | -0.2 | -2.3 | Clothing..... | 172.8 | 175.1 | 174.1 | -1.3 | -0.7 |
| Fuel ¹ | 130.5 | 130.5 | 130.5 | 0 | 0 | Fuel ¹ | 162.3 | 162.4 | 159.5 | -0.1 | +1.8 |
| Housefurnishings..... | 151.9 | 152.0 | 151.5 | -0.1 | +0.3 | Housefurnishings..... | 154.1 | 154.1 | 154.4 | 0 | -0.2 |
| Sundries..... | 186.9 | 187.4 | 182.5 | -0.3 | +2.4 | Sundries..... | 159.9 | 160.7 | 160.0 | -0.5 | -0.1 |
| Weighted total..... | 174.2 | 173.7 | 172.4 | +0.3 | +1.0 | Weighted total.... | 183.7 | 182.5 | 182.2 | +0.7 | +0.8 |

¹ Includes electricity and gas.

Percentage Changes in Indexes for One City

| | Weighted Total | | Food | | Housing | | Clothing | | Fuel & Light | | Housefurnishings | | Sundries | |
|-------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | Mar. 1954 to June 1954 | June 1953 to June 1954 | Mar. 1954 to June 1954 | June 1953 to June 1954 | Mar. 1954 to June 1954 | June 1953 to June 1954 | Mar. 1954 to June 1954 | June 1953 to June 1954 | Mar. 1954 to June 1954 | June 1953 to June 1954 | Mar. 1954 to June 1954 | June 1953 to June 1954 | Mar. 1954 to June 1954 | June 1953 to June 1954 |
| | | | | | | | | | | | | | | |
| Evansville, Ind. | +0.3 | +1.2 | +0.7 | +1.3 | +0.2 | +2.1 | -0.4 | +0.1 | -0.5 | -0.4 | -0.2 | -0.6 | +0.3 | +1.9 |

Consumer Price Index for Thirty-nine Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939 = 100

| Date | Weighted Average of All Items | Food | Housing ¹ | Clothing | | | Fuel ² | | | House- furnish- ings | Sundries | Purchasing Value of the Dollar |
|---------------------------|-------------------------------------|-------|----------------------|----------|-------|---------|-------------------|-------------|-------|----------------------------|----------|--------------------------------------|
| | | | | Total | Men's | Women's | Total | Electricity | Gas | | | |
| 1953 June | 181.2 | 231.3 | 131.3 | 150.9 | 167.9 | 136.4 | 138.5 | 93.4 | 104.6 | 164.0 | 178.5 | 55.2 |
| July..... | 182.3 | 233.2 | 131.9 | 150.8 | 167.8 | 136.4 | 138.9 | 93.4 | 104.7 | 164.0 | 179.6 | 54.9 |
| August..... | 183.7 | 234.0 | 132.5 | 150.8 | 167.8 | 136.3 | 139.7 | 93.4 | 105.1 | 163.4 | 183.3 | 54.4 |
| September..... | 184.1 | 234.4 | 133.1 | 151.0 | 168.2 | 136.5 | 140.0 | 93.4 | 105.1 | 163.4 | 183.5 | 54.3 |
| October..... | 183.3 | 231.1 | 134.5 | 151.1 | 168.0 | 136.6 | 140.4 | 93.5 | 105.1 | 163.6 | 183.7 | 54.6 |
| November..... | 183.1 | 230.0 | 134.9 | 151.0 | 167.9 | 136.6 | 140.6 | 93.5 | 105.1 | 163.7 | 183.8 | 54.6 |
| December..... | 182.7 | 228.3 | 135.2 | 150.9 | 167.8 | 136.5 | 140.7 | 93.5 | 105.1 | 163.4 | 184.3 | 54.7 |
| Annual average..... | 181.6 | 230.8 | 131.6 | 150.8 | 167.8 | 136.4 | 140.1 | 93.4 | 104.6 | 164.0 | 179.9 | 55.1 |
| 1954 January | 184.0 | 231.2 | 136.1 | 150.4 | 167.1 | 136.1 | 142.1 | 93.5 | 107.6 | 162.9 | 184.7 | 54.3 |
| February..... | 183.8 | 229.9 | 136.9 | 150.3 | 167.0 | 136.1 | 142.1 | 93.5 | 107.6 | 162.8 | 185.3 | 54.4 |
| March..... | 184.2 | 229.7 | 137.3 | 150.6 | 167.5 | 136.2 | 142.1 | 93.5 | 107.7 | 162.4 | 186.4 | 54.3 |
| April..... | 184.5 | 230.5 | 137.5 | 150.3 | 167.5 | 135.5 | 141.8 | 94.1 | 108.1 | 161.7 | 186.8 | 54.2 |
| May..... | 185.5 | 234.4 | 137.5 | 150.2 | 167.4 | 135.5 | 139.0 | 94.3 | 108.2 | 160.5 | 186.7 | 53.9 |
| June..... | 185.4 | 234.1 | 137.6 | 149.7 | 166.9 | 135.0 | 138.7 | 94.4 | 108.3 | 160.4 | 186.6 | 53.9 |

Percentage Changes

| | | | | | | | | | | | | |
|----------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| May 1954 to June 1954.... | -0.1 | -0.1 | +0.1 | -0.3 | -0.3 | -0.4 | -0.2 | +0.1 | +0.1 | -0.1 | -0.1 | 0 |
| June 1953 to June 1954.... | +2.3 | +1.2 | +4.8 | -0.8 | -0.6 | -1.0 | +0.1 | +1.1 | +3.5 | -2.2 | +4.5 | -2.4 |

Source: THE CONFERENCE BOARD

¹ Rents surveyed quarterly in individual cities.

² Includes electricity and gas

Consumer Price Indexes for Ten Cities

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

| City | Index Numbers Jan., 1939=100 | | | Percentage Changes | | City | Index Numbers Jan., 1939=100 | | | Percentage Changes | |
|----------------------------|---------------------------------|----------|--------------------|-----------------------------|------------------------------|----------------------------|---------------------------------|----------|--------------------|-----------------------------|------------------------------|
| | June 1954 | May 1954 | June 1953 | May 1954 to June 1954 | June 1953 to June 1954 | | June 1954 | May 1954 | June 1953 | May 1954 to June 1954 | June 1953 to June 1954 |
| Birmingham | | | | | | Indianapolis | | | | | |
| Food..... | 238.1 | 240.0 | 239.0 | -0.8 | -0.4 | Food..... | 252.6 | 252.5 | 254.3 | a | -0.7 |
| Housing ¹ | 165.2 | 165.2 | 163.9 | 0 | +0.8 | Housing ¹ | 148.0 | 147.1 | 135.6 | +0.6 | +9.1 |
| Clothing..... | 151.2 | 151.9 | 152.1 | -0.5 | -0.6 | Clothing..... | 141.8 | 142.0 | 144.3 | -0.1 | -1.7 |
| Fuel ⁷ | 129.9 | 126.1 | 129.2 | +3.0 | +0.5 | Fuel ⁷ | 149.3 | 149.1 | 154.4 | +0.1 | -3.3 |
| Housefurnishings..... | 168.0 | 170.1 | 168.8 | -1.2 | -0.5 | Housefurnishings..... | 153.6 | 152.4 | 155.6 | +0.8 | -1.3 |
| Sundries..... | 159.8 | 159.8 | 156.4 | 0 | +2.2 | Sundries..... | 188.0 | 188.1 | 184.5 | -0.1 | +1.9 |
| Weighted total..... | 181.1 | 181.7 | 180.2 | -0.3 | +0.5 | Weighted total..... | 189.7 | 189.5 | 188.1 | +0.1 | +0.9 |
| Boston | | | | | | Los Angeles | | | | | |
| Food..... | 221.0 | 219.5 | 220.5 | +0.7 | +0.2 | Food..... | 219.1 | 220.2 | 218.6 | -0.5 | +0.2 |
| Housing ¹ | 131.4 | 131.4 | 129.6 | 0 | +1.4 | Housing ¹ | 145.7 | 145.7 | 142.1 | 0 | +2.5 |
| Clothing..... | 139.9 | 140.8 | 142.1 | -0.6 | -1.5 | Clothing..... | 141.3 | 141.4 | 141.8 | -0.1 | -0.4 |
| Fuel ⁷ | 174.1 | 174.5 | 173.8 | -0.2 | +0.2 | Fuel ⁷ | 125.1 | 125.1 | 101.5 | 0 | +23.3 |
| Housefurnishings..... | 147.8 | 148.8 | 155.7 | -0.7 | -5.1 | Housefurnishings..... | 154.5 | 154.7 | 160.3 | -0.1 | -3.6 |
| Sundries..... | 179.0 | 179.9 | 170.6 | -0.5 | +4.9 | Sundries..... | 181.4 | 181.6 | 175.9 | -0.1 | +3.1 |
| Weighted total..... | 179.3 | 179.1 | 177.3 | +0.1 | +1.1 | Weighted total..... | 178.3 | 178.7 | 175.1 | -0.2 | +1.8 |
| Chicago | | | | | | New Orleans | | | | | |
| Food..... | 252.9 | 252.8 | 244.2 | a | +8.6 | Food..... | 268.1 | 266.8 | 255.6 | +0.5 | +4.9 |
| Housing ¹ | 161.3 | 161.3 | 141.6 | 0 | +13.9 | Housing ¹ | 171.0 | 171.0 | 159.9 ^r | 0 | +6.9 |
| Clothing..... | 146.6 | 147.3 | 146.4 | -0.5 | +0.1 | Clothing..... | 158.8 | 159.8 | 157.3 | -0.6 | +1.0 |
| Fuel ⁷ | 122.6 | 122.6 | 118.4 | 0 | +3.5 | Fuel ⁷ | 95.5 | 94.9 | 93.3 | +0.6 | +2.4 |
| Housefurnishings..... | 156.0 | 154.7 | 158.0 | +0.8 | -1.3 | Housefurnishings..... | 170.4 | 169.8 | 171.1 | +0.4 | -0.4 |
| Sundries..... | 185.5 | 185.3 | 179.9 | +0.1 | +3.1 | Sundries..... | 154.2 | 164.1 | 149.0 | +0.1 | +3.5 |
| Weighted total..... | 194.0 | 193.9 | 185.2 | +0.1 | +4.8 | Weighted total..... | 197.6 | 197.2 | 189.6 ^r | +0.2 | +4.2 |
| Denver | | | | | | New York | | | | | |
| Food..... | 246.5 | 247.9 | 240.8 | -0.6 | +2.4 | Food..... | 213.6 | 217.0 | 217.0 | -1.6 | -1.6 |
| Housing ¹ | 132.6 | 132.5 | 131.3 ^r | +0.1 | +1.0 | Housing ¹ | 118.7 | 118.7 | 116.4 ^r | 0 | +2.0 |
| Clothing..... | 163.1 | 163.3 | 163.3 | -0.1 | -0.1 | Clothing..... | 150.2 | 150.9 | 152.5 | -0.5 | -1.5 |
| Fuel ⁷ | 107.6 | 107.6 | 106.4 | 0 | +1.1 | Fuel ⁷ | 131.8 | 132.7 | 136.8 | -0.7 | -3.7 |
| Housefurnishings..... | 156.3 | 156.4 | 156.3 | -0.1 | 0 | Housefurnishings..... | 157.5 | 157.0 | 161.1 | +0.3 | -2.2 |
| Sundries..... | 165.5 | 165.2 | 157.2 | +0.2 | +5.3 | Sundries..... | 199.9 | 200.5 | 180.9 | -0.3 | +10.5 |
| Weighted total..... | 180.4 | 180.8 | 175.8 ^r | -0.2 | +2.6 | Weighted total..... | 177.7 | 179.1 | 174.4 | -0.8 | +1.9 |
| Detroit | | | | | | Philadelphia | | | | | |
| Food..... | 251.1 | 249.6 | 245.8 | +0.6 | +2.2 | Food..... | 225.0 | 229.6 | 223.1 | -2.0 | +0.9 |
| Housing ¹ | 151.6 | 151.6 | 141.4 | 0 | +7.2 | Housing ¹ | 118.6 | 118.6 | 117.7 | 0 | +0.8 |
| Clothing..... | 146.4 | 146.9 | 147.1 | -0.3 | -0.5 | Clothing..... | 139.5 | 140.1 | 142.4 | -0.4 | -2.0 |
| Fuel ⁷ | 163.4 | 164.3 | 162.1 | -0.5 | +0.8 | Fuel ⁷ | 147.1 | 144.6 | 155.5 | +1.7 | -5.4 |
| Housefurnishings..... | 160.4 | 161.2 | 165.1 | -0.5 | -2.8 | Housefurnishings..... | 166.9 | 168.9 | 175.0 | -1.2 | -4.6 |
| Sundries..... | 193.9 | 194.0 | 191.6 | -0.1 | +1.2 | Sundries..... | 193.0 | 193.3 | 183.4 | -0.2 | +5.2 |
| Weighted total..... | 193.8 | 193.5 | 189.7 | +0.2 | +2.2 | Weighted total..... | 182.3 | 188.9 | 180.3 | -0.9 | +1.1 |

Source: THE CONFERENCE BOARD

¹ Rents surveyed January, April, July, October

² Rents surveyed February, May, August, November

³ Rents surveyed March, June, September, December

⁴ Philadelphia rent surveyed March, June, August, November, 1953 and February, May, 1954

⁵ New Orleans rent surveyed March, June, September, October, 1953 and January, April, 1954

⁶ New York rent surveyed May, August, November, December, 1953 and March, June, 1954

⁷ Includes electricity and gas

^r Revised

a Less than 0.05%.

Consumer Price Index for Ten United States Cities, and Purchasing Value of Dollar

Index Numbers, January, 1939=100

| Date | Weighted Average of All Items | Food | Housing ¹ | Clothing | | | Fuel ² | | | House- furnish- ings | Sundries | Purchasing Value of the Dollar |
|---------------------|-------------------------------------|-------|----------------------|----------|-------|---------|-------------------|-------------|-------|----------------------------|----------|--------------------------------------|
| | | | | Total | Men's | Women's | Total | Electricity | Gas | | | |
| 1953 June..... | 179.7 | 228.6 | 129.4 | 148.5 | 164.0 | 135.3 | 134.5 | 92.0 | 105.4 | 162.3 | 179.5 | 55.6 |
| July..... | 181.1 | 231.1 | 130.3 | 148.3 | 163.6 | 135.4 | 135.4 | 92.0 | 105.6 | 162.4 | 180.6 | 55.2 |
| August..... | 182.7 | 231.3 | 130.5 | 148.3 | 163.6 | 135.3 | 136.4 | 92.0 | 106.1 | 161.6 | 186.2 | 54.7 |
| September..... | 182.9 | 231.4 | 130.9 | 148.6 | 164.1 | 135.5 | 136.6 | 92.0 | 106.1 | 161.7 | 186.2 | 54.7 |
| October..... | 181.6 | 226.3 | 132.8 | 148.6 | 163.7 | 135.8 | 137.0 | 92.0 | 106.1 | 161.8 | 186.5 | 55.1 |
| November..... | 181.5 | 225.8 | 133.1 | 148.5 | 163.5 | 135.9 | 137.0 | 92.0 | 106.1 | 162.1 | 186.6 | 55.1 |
| December..... | 181.2 | 224.0 | 133.3 | 148.5 | 163.5 | 135.9 | 137.0 | 92.0 | 106.1 | 161.7 | 187.4 | 55.2 |
| Annual average..... | 180.0 | 227.4 | 129.3 | 148.4 | 163.8 | 135.4 | 136.7 | 92.0 | 105.7 | 162.4 | 181.8 | 55.6 |
| 1954 January..... | 182.9 | 228.1 | 134.4 | 147.7 | 162.4 | 135.4 | 139.1 | 92.0 | 110.0 | 161.1 | 187.9 | 54.7 |
| February..... | 182.5 | 225.8 | 135.3 | 147.7 | 162.2 | 135.5 | 139.2 | 92.0 | 110.0 | 161.3 | 188.7 | 54.8 |
| March..... | 182.9 | 225.5 | 135.8 | 148.2 | 162.9 | 135.8 | 139.1 | 92.0 | 109.9 | 160.7 | 190.1 | 54.7 |
| April..... | 183.6 | 227.0 | 136.0 | 147.7 | 163.1 | 134.8 | 138.8 | 93.0 | 110.3 | 159.8 | 190.9 | 54.5 |
| May..... | 184.9 | 231.9 | 136.1 | 147.7 | 162.9 | 134.8 | 134.9 | 93.0 | 110.3 | 158.2 | 190.7 | 54.1 |
| June..... | 184.2 | 230.2 | 136.1 | 147.1 | 162.2 | 134.3 | 134.8 | 93.0 | 110.3 | 158.3 | 190.4 | 54.3 |

Percentage Changes

| | | | | | | | | | | | | |
|----------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| May 1954 to June 1954.... | -0.4 | -0.7 | 0 | -0.4 | -0.4 | -0.4 | -0.1 | 0 | 0 | +0.1 | -0.2 | +0.4 |
| June 1953 to June 1954.... | +2.5 | +0.7 | +5.2 | -0.9 | -1.1 | -0.7 | +0.2 | +1.1 | +4.6 | -2.5 | +6.1 | -2.3 |

¹ Rents surveyed quarterly in individual cities.

² Includes electricity and gas.

Consumer Price Indexes for Cities Surveyed Quarterly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

| City | Index Numbers Jan., 1939=100 | | | Percentage Changes | | City | Index Numbers Jan., 1939=100 | | | Percentage Changes | |
|------------------------------|---------------------------------|-----------|----------|-----------------------------|----------------------------|------------------------------|---------------------------------|-----------|----------|-----------------------------|----------------------------|
| | May 1954 | Feb. 1954 | May 1953 | Feb. 1954 to May 1954 | May 1953 to May 1954 | | May 1954 | Feb. 1954 | May 1953 | Feb. 1954 to May 1954 | May 1953 to May 1954 |
| Akron | | | | | | Richmond | | | | | |
| Food..... | 243.8 | 237.1 | 232.8 | +2.8 | +4.7 | Food..... | 258.2 | 254.3 | 252.8 | +1.5 | +2.1 |
| Housing..... | 155.7 | 154.8 | 144.9 | +0.6 | +7.5 | Housing..... | 137.1 | 137.1 | 130.7 | 0 | +4.9 |
| Clothing..... | 150.9 | 151.4 | 153.7 | -0.3 | -1.8 | Clothing..... | 154.1 | 155.5 | 154.2 | -0.9 | -0.1 |
| Fuel ¹ | 158.1 | 163.6 | 161.1 | -3.4 | -1.9 | Fuel ¹ | 138.3 | 139.3 | 136.0 | -0.7 | +1.7 |
| Housefurnishings..... | 145.2 | 146.0 | 148.8 | -0.5 | -2.4 | Housefurnishings..... | 163.5 | 170.7 | 169.5 | -4.2 | -3.5 |
| Sundries..... | 181.1 | 180.7 | 178.5 | +0.2 | +1.5 | Sundries..... | 160.5 | 156.4 | 154.9 | +2.6 | +3.6 |
| Weighted total..... | 188.1 | 186.5 | 183.2 | +0.9 | +2.7 | Weighted total..... | 182.5 | 180.7 | 178.3 | +1.0 | +2.4 |
| Baltimore² | | | | | | Rochester | | | | | |
| Food..... | 232.8 | 227.7 | 225.0 | +2.2 | +3.5 | Food..... | 247.2 | 238.1 | 236.6 | +3.8 | +4.5 |
| Housing..... | 121.4 | 120.8 | 118.9 | +0.5 | +2.1 | Housing..... | 130.4 | 130.4 | 130.0 | 0 | +0.3 |
| Clothing..... | 153.4 | 154.4 | 154.4 | -0.6 | -0.6 | Clothing..... | 152.7 | 152.3 | 152.8 | +0.3 | -0.1 |
| Fuel ¹ | 152.4 | 157.8 | 161.0 | -3.4 | -5.3 | Fuel ¹ | 178.1 | 183.8 | 183.6 | -3.1 | -3.0 |
| Housefurnishings..... | 189.8 | 191.9 | 192.3 | -1.1 | -1.3 | Housefurnishings..... | 189.5 | 190.1 | 190.9 | -0.3 | -0.7 |
| Sundries..... | 181.5 | 181.4 | 175.1 | +0.1 | +3.7 | Sundries..... | 187.7 | 187.0 | 184.0 | +0.4 | +2.0 |
| Weighted total..... | 183.9 | 182.6 | 180.0 | +0.7 | +2.2 | Weighted total..... | 188.5 | 186.1 | 184.8 | +1.3 | +2.0 |
| Chattanooga | | | | | | St. Louis | | | | | |
| Food..... | 237.0 | 235.4 | 235.7 | +0.7 | +0.6 | Food..... | 239.5 | 235.1 | 231.2 | +1.9 | +3.6 |
| Housing..... | 146.2 | 146.5 | 144.6 | -0.2 | +1.1 | Housing..... | 134.6 | 134.6 | 132.2 | 0 | +1.8 |
| Clothing..... | 133.2 | 133.1 | 133.7 | +0.1 | -0.4 | Clothing..... | 143.3 | 143.7 | 144.3 | -0.3 | -0.7 |
| Fuel ¹ | 132.5 | 136.4 | 132.5 | -2.9 | 0 | Fuel ¹ | 158.2 | 160.3 | 154.6 | -1.3 | +2.3 |
| Housefurnishings..... | 116.5 | 118.6 | 122.2 | -1.8 | -4.7 | Housefurnishings..... | 151.4 | 152.0 | 154.5 | -0.4 | -2.0 |
| Sundries..... | 165.0 | 165.1 | 163.0 | -0.1 | +1.2 | Sundries..... | 177.6 | 175.8 | 176.1 | +1.0 | +0.9 |
| Weighted total..... | 176.3 | 176.2 | 175.3 | +0.1 | +0.6 | Weighted total..... | 185.1 | 183.3 | 181.6 | +1.0 | +1.9 |
| Dallas | | | | | | San Francisco-Oakland | | | | | |
| Food..... | 238.2 | 235.0 | 238.7 | +1.4 | -0.2 | Food..... | 245.4 | 237.0 | 239.1 | +3.5 | +2.6 |
| Housing..... | 175.5 | 175.5 | 174.9 | 0 | +0.3 | Housing..... | 129.4 | 129.3 | 119.1 | +0.1 | +8.6 |
| Clothing..... | 152.8 | 153.2 | 152.9 | -0.3 | -0.1 | Clothing..... | 157.0 | 156.5 | 157.9 | +0.3 | -0.6 |
| Fuel ¹ | 107.0 | 107.4 | 106.9 | -0.4 | +0.1 | Fuel ¹ | 112.5 | 112.5 | 112.5 | 0 | 0 |
| Housefurnishings..... | 151.6 | 150.3 | 153.8 | +0.9 | -1.4 | Housefurnishings..... | 167.5 | 168.4 | 169.3 | -0.5 | -1.1 |
| Sundries..... | 180.0 | 179.1 | 177.4 | +0.5 | +1.5 | Sundries..... | 188.5 | 188.8 | 184.8 | -0.2 | +2.0 |
| Weighted total..... | 185.5 | 184.4 | 184.9 | +0.6 | +0.3 | Weighted total..... | 189.5 | 186.9 | 184.7 | +1.4 | +2.6 |
| Duluth | | | | | | Wilmington | | | | | |
| Food..... | 245.2 | 239.9 | 235.5 | +2.2 | +4.1 | Food..... | 210.9 | 205.7 | 207.9 | +2.5 | +1.4 |
| Housing..... | 144.4 | 143.1 | 132.7 | +0.9 | +8.8 | Housing..... | 141.9 | 142.0 | 137.0 | -0.1 | +3.6 |
| Clothing..... | 156.9 | 155.8 | 158.6 | +0.7 | -1.1 | Clothing..... | 150.8 | 151.3 | 151.6 | -0.3 | -0.5 |
| Fuel ¹ | 156.9 | 156.9 | 155.8 | 0 | +0.7 | Fuel ¹ | 133.7 | 135.8 | 131.9 | -1.5 | +1.4 |
| Housefurnishings..... | 181.7 | 181.9 | 182.4 | -0.1 | -0.4 | Housefurnishings..... | 174.3 | 174.4 | 177.8 | -0.1 | -2.0 |
| Sundries..... | 173.9 | 174.4 | 170.6 | -0.3 | +1.9 | Sundries..... | 183.0 | 182.4 | 175.0 | +0.3 | +4.6 |
| Weighted total..... | 189.7 | 187.9 | 184.2 | +1.0 | +3.0 | Weighted total..... | 178.7 | 176.9 | 175.0 | +1.0 | +2.1 |

¹ Includes electricity and gas.

² Baltimore surveyed May 1954, Feb. 1954 and April 1953.

Consumer Price Index for Thirty-nine Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939 = 100

| Date | Weighted Average of All Items | Food | Housing ¹ | Clothing | | | Fuel ² | | | House- furnish- ings | Sundries | Purchasing Value of the Dollar |
|---------------------|-------------------------------------|-------|----------------------|----------|-------|---------|-------------------|-------------|-------|----------------------------|----------|--------------------------------------|
| | | | | Total | Men's | Women's | Total | Electricity | Gas | | | |
| 1953 May..... | 180.2 | 228.5 | 131.0 | 150.8 | 167.8 | 136.4 | 138.6 | 93.4 | 104.3 | 164.5 | 178.2 | 55.5 |
| June..... | 181.2 | 231.3 | 131.3 | 150.9 | 167.9 | 136.4 | 138.5 | 93.4 | 104.6 | 164.0 | 178.5 | 55.2 |
| July..... | 182.3 | 233.2 | 131.9 | 150.8 | 167.8 | 136.4 | 138.9 | 93.4 | 104.7 | 164.0 | 179.6 | 54.9 |
| August..... | 183.7 | 234.0 | 132.5 | 150.8 | 167.8 | 136.3 | 139.7 | 93.4 | 105.1 | 163.4 | 183.3 | 54.4 |
| September..... | 184.1 | 234.4 | 133.1 | 151.0 | 168.2 | 136.5 | 140.0 | 93.4 | 105.1 | 163.4 | 183.5 | 54.3 |
| October..... | 183.3 | 231.1 | 134.5 | 151.1 | 168.0 | 136.6 | 140.4 | 93.5 | 105.1 | 163.6 | 183.7 | 54.6 |
| November..... | 183.1 | 230.0 | 134.9 | 151.0 | 167.9 | 136.6 | 140.6 | 93.5 | 105.1 | 163.7 | 183.8 | 54.6 |
| December..... | 182.7 | 228.3 | 135.2 | 150.9 | 167.8 | 136.5 | 140.7 | 93.5 | 105.1 | 163.4 | 184.3 | 54.7 |
| Annual average..... | 181.6 | 230.8 | 131.6 | 150.8 | 167.8 | 136.4 | 140.1 | 93.4 | 104.6 | 164.0 | 179.9 | 55.1 |
| 1954 January..... | 184.0 | 231.2 | 136.1 | 150.4 | 167.1 | 136.1 | 142.1 | 93.5 | 107.6 | 162.9 | 184.7 | 54.3 |
| February..... | 183.8 | 229.9 | 136.9 | 150.3 | 167.0 | 136.1 | 142.1 | 93.5 | 107.6 | 162.8 | 185.3 | 54.4 |
| March..... | 184.2 | 229.7 | 137.3 | 150.6 | 167.5 | 136.2 | 142.1 | 93.5 | 107.7 | 162.4 | 186.4 | 54.3 |
| April..... | 184.5 | 230.5 | 137.5 | 150.3 | 167.5 | 135.5 | 141.8 | 94.1 | 108.1 | 161.7 | 186.8 | 54.2 |
| May..... | 185.5 | 234.4 | 137.5 | 150.2 | 167.4 | 135.5 | 139.0 | 94.3 | 108.2 | 160.5 | 186.7 | 53.9 |

Percentage Changes

| | | | | | | | | | | | | |
|---------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| Apr. 1954 to May 1954.... | +0.5 | +1.7 | 0 | -0.1 | -0.1 | 0 | -2.0 | +0.2 | +0.1 | -0.7 | -0.1 | -0.6 |
| May 1953 to May 1954.... | +2.9 | +2.6 | +5.0 | -0.4 | -0.2 | -0.7 | +0.3 | +1.0 | +3.7 | -2.4 | +4.8 | -2.9 |

Source: THE CONFERENCE BOARD

¹ Rents surveyed quarterly in individual cities.

² Includes electricity and gas.

in the transportation equipment, ordnance, machinery, and stone, clay and glass industries.

Gross hourly earnings of factory workers, including overtime and other premium pay, averaged \$1.81 in June, 1 cent above May, and 4 cents higher than June, 1953. Over-the-year gains in hourly pay were shown in every manufacturing industry except textiles, where hourly pay was unchanged. The increase in nondurable goods industries—7 cents—was slightly larger than that of 4 cents registered in the durable goods group. The gap in earnings between durable and nondurable sectors remained relatively large, however. In durable goods, hourly earnings were \$1.91 in June, as against \$1.67 in nondurables.

TURNOVER FOR JUNE

Factory hiring picked up seasonally between May and June, while layoffs fell by the usual amount, according to the latest report of the Bureau of Labor Statistics. Nevertheless, layoffs were the highest for the season in five years and hiring was at a postwar low for the month.

Hiring rates in the nation's factories rose from twenty-seven to thirty-six per 1,000 employees, reflecting the hiring of summer replacements and other temporary employees, such as students on vacation.

Most industry groups showed an over-the-month upswing. The hiring pickup was especially strong in furniture, chemicals, electrical machinery, transportation equipment, and petroleum. In other industries—food, paper and leather—the gain was slightly below seasonal expectations.

Layoffs dropped seasonally to a rate of seventeen per 1,000 in June as compared with nineteen per 1,000 workers in May. Almost all industry groups reported fewer layoffs. In furniture, fabricated metals, apparel and miscellaneous manufacturing, the drop was larger than usual. However, layoffs rose appreciably in the transportation equipment industry and there were small increases in machinery, paper, and stone, clay and glass. The rate at which factory workers quit their jobs increased slightly between May and June from ten to eleven per 1,000. Quits were at the lowest June rate in recent years.

As is usual in June, hiring exceeded total separations, which include quits, discharges, layoffs, military and other separations. However, this June the margin of difference—five per 1,000—was one of the smallest for the month in the postwar period.

WAGE ADJUSTMENTS

Of the 141 settlements involving over 335,000 wage and salary personnel that were confirmed by THE CONFERENCE BOARD between mid-June and mid-July, the most significant were in the steel industry, and concerned United States Steel Corporation, Youngstown Sheet and Tube Company, and Allegheny Lud-

lum Steel Corporation. At U.S. Steel, 150,000 members of the CIO Steelworkers received a wage increase of 5 cents per hour; insurance benefits were increased 4 cents per hour, one-half to be paid by the company and one-half by the employee; and pension benefits were liberalized, although the amount is not available at present. These fringe benefits will go into effect November 1, 1954. Twenty-three thousand Steelworkers at the Youngstown Sheet and Tube Company and 8,485 at the Allegheny Ludlum Steel Corporation were granted the same wage increase and insurance benefits as those at U.S. Steel. However, the pension provisions were reported as follows: the minimum monthly pension for an employee with thirty years of continuous service at age sixty-five shall be \$140; such minimum shall be reduced by \$2 for each year by which continuous service is less than thirty; the minimum monthly pension for total and permanent disability shall be \$75. These fringes will also become effective November 1, 1954.

Another important factor is the increasing number of settlements in which no wage increases are being given. Of the 113 settlements involving wage earners, seventeen were reported with no wage increases—eight granted only fringe benefits and nine merely renewed the expired contracts with no changes whatsoever. Four of those with no changes at all occurred in the textile industry at the following companies: Bigelow-Sanford Carpet Company in Thompsonville, Connecticut and Amsterdam, New York; Dan River Mills in Danville, Virginia; and the Pepperell Manufacturing Company in Biddeford, Maine. More than 3,800 CIO Textile Workers and 10,000 AFL Textile Workers (at Dan River Mills) were affected.

Even more indicative of the continuing weakness of the textile industry in the North were the two wage reductions reported. The American Woolen Company with mills in Maine, New Hampshire, Vermont, Massachusetts, and Connecticut reduced by 10.5 cents the pay of 4,000 CIO and AFL textile workers. Of this, 9.5 cents was deducted from wages, and 1 cent was deducted from the cost of living bonus. The balance of the bonus, 4 cents, was frozen into the base rates and the escalator clause was eliminated; fringes such as maternity benefits and medical payments were also dropped, and the weekly accident and sickness provisions were reduced to a flat \$25 per week. The other reduction occurred at the Botany Mills in Passaic, New Jersey where 3,000 CIO Textile Workers took a 9.5 cents wage cut; hospital insurance, however, was increased.

The most frequently granted raise to over 310,000 wage earners in the settlements confirmed this month was 5 cents per hour.

JAMES F. BIRD
JUDITH WISHNIA
Statistical Division

Wage Adjustments Announced Prior to July 15, 1954

| Company | Union(s) | Number and Type of Employees Affected* | Effective Date | Amount of Adjustment | Fringe Benefits** | Remarks |
|---|--|---|-------------------|---|---|--|
| <i>Apparel</i> | | | | | | |
| Hickock Manufacturing Co. Rochester, N. Y. | Rochester Independent Union, ind. | 1,000 WE | 5-1-54 | \$.05 per hr. av. | Company to pay one-half of hospitalization and surgical insurance | Settlement result of contract expiration Length of contract—1 year |
| | None | 150 S | 5-1-54 | \$2 per wk. av. | | Same as above |
| <i>Chemicals and Allied Products</i> | | | | | | |
| Auburn Button Works Auburn, N. Y. | Federal Labor Union, AFL | 500 WE (approx.) | 5-1-54 | \$.06 per hr. av. | | Settlement result of contract expiration. Length of contract—1 year |
| E. I. duPont de Nemours & Co. Carney's Point, N. J. Burnside Laboratory | Carney's Point and Burnside Lab. Independent Unions, ind. | 518 WE | 3-29-54 | \$.062 per hr. av. | | Settlement result of wage reopening |
| | | 29 S | 4-1-54 | \$12 per mo. av. | | |
| Deepwater, N. J. | Chemical Workers Associations, ind. | 4,675 WE | 3-29-54 | \$.064 per hr. av. | | Settlement result of wage reopening |
| | Same as above | 280 S | 5-1-54 | \$13 per mo. av. | | |
| Food Machinery & Chemical Corp. Nitro, W. Va. Ohio Apex division | District 50, UMWA, ind. | 270 WE | 3-1-54 | \$.08 per hr. av. | Seventh paid holiday (Good Friday) | Settlement result of contract expiration Length of contract—1 year |
| | | n.a. S | 3-1-54 | 5% | | |
| Hercules Powder Co. Parlin, N. J. | Chemical Workers, AFL | 1,200 WE | 3-19-54 | \$.07 per hr. across the board | Higher priced Blue Cross and Blue Shield Plan | Settlement result of contract expiration Length of contract—2 years Wage reopenings at 6 mo. intervals |
| The Lambert Co. Jersey City, N. J. Lambert Pharmacal Division | Packinghouse Workers, CIO | 130 WE | 4-5-54 9-27-54 | \$.05 per hr. av. \$.025 per hr. av. | (1) 9 paid holidays raised to 9½ by adding ½ day on Good Friday (2) Liberalized Blue Cross and Blue Shield coverage at com- pany's expense to in- clude employees' fam- ilies (3) 3 days' leave with pay for death in immedi- ate family | Settlement result of contract expiration Length of contract—1 year |
| Lever Brothers Co. Interstate | Chemical Workers, AFL | 2,200 WE | 3-15-54 | \$.06 per hr. av. | | Settlement result of contract expiration Length of contract—1 year |
| | | 1,000 S | 3-15-54 | \$2.40 per wk. av. | | |
| Hammond, Ind. | Gas, Coke & Chemical Workers, CIO | 1,000 WE | 3-15-54 | \$.06 per hr. av. | | Settlement result of contract expiration Length of contract—1 year |
| | | 300 S | 3-15-54 | \$2.40 per wk. av. | | |
| Lithium Corp. of America Minneapolis, Minn. | District 50, UMWA, ind. | 60 WE | 4-5-54 | \$.08 per hr. av. | Paid holidays to be con- sidered as a day worked | Settlement result of contract expiration Length of contract—1 year |
| Monsanto Chemical Co. St. Louis, Mo. | Chemical Workers AFL | 1,500 WE | 4-15-54 | \$.05 per hr. av. | Armistice Day as seventh paid holiday | Settlement result of contract expiration Length of contract—1 year |
| Parke Davis & Co. Atlanta, Ga. | Retail, Wholesale & Department Store Union, CIO | 13 WE | 4-24-54 | \$.04 per hr. av. | | Settlement result of contract expiration Length of contract—2 years |
| | None | 33 S | 4-24-54 | \$7 per mo. av. | | |
| Virginia-Carolina Chemical Corp. Birmingham, Ala. | District 50, UMWA, ind. | 30 WE | 7-1-54 | \$.05 per hr. av. | | Settlement result of contract expiration Length of contract—1 year |
| Dothan, Ala. | District 50, UMWA, ind. | 40 WE | 6-1-54 | None | | Settlement result of contract expiration No changes in new 1 year contract |
| Mt. Pleasant, Tenn. | Mine, Mill & Smelter Workers, ind. | 250 WE | 4-5-54 | \$.04 per hr. av. | | Settlement result of contract expiration Length of contract—1 year |

Wage Adjustments Announced Prior to July 15, 1954—Continued

| Company | Union(s) | Number and Type of Employees Affected* | Effective Date | Amount of Adjustment | Fringe Benefits** | Remarks |
|---|---|--|----------------|--|---|---|
| <i>Communications</i> | | | | | | |
| General Telephone Co. of the Southwest Interstate | Communications Workers, CIO | 2,282 WE | 7-1-54 | \$0.035 per hr. av. | Some liberalization in sick benefit pay | Settlement result of contract expiration Length of contract—1 year |
| <i>Construction</i> | | | | | | |
| Associated General Contractors Minneapolis, St. Paul, Minn. | Operating Engineers, AFL | 125 WE | 5-10-54 | \$0.10 per hr. av. | | Settlement result of contract expiration Contract runs to 5-1-55 Wage reopening on 3-1-55 |
| <i>Electrical Machinery, Equipment and Supplies</i> | | | | | | |
| Capehart-Farnsworth Corp. Ft. Wayne, Ind. | United Plant Guard Workers, ind. | 26 S | 4-16-54 | \$0.055 per hr. av. | | First contract—runs for 30 months No reopener—automatic \$10 per mo. increase after 15 mos. |
| Irvington Varnish & Insulator Co. Irvington and Newark, N. J. | Painters, AFL | 350 WE | 5-1-54 | \$0.05 per hr. av. | (1) Good Friday added as eighth holiday (2) Installation of pension plan and liberalized group life insurance | Settlement result of contract expiration Length of contract—1 year |
| McGraw Electric Co. S. Milwaukee, Wis. Line Material Co. Division | UE, ind. | 400 WE | 4-1-54 | \$0.075 per hr. av. | (1) Paid holidays on two Fridays preceding holidays (2) Inaugurated profit-sharing plan | Settlement result of contract expiration Length of contract—1 year |
| Minneapolis-Honeywell Regulator Co. Minneapolis, Minn. | Teamsters, AFL | 7,500 WE | 2-1-54 | \$0.05 per hr. av.; a few intra-plant inequities corrected in addition to general increase | (1) ½ day paid holiday before Christmas (2) Improved hospitalization benefits—\$12 per day hospital board and room for 70 days; \$200 surgical schedule; \$3 per day in-hospital medical for 70 days; full maternity benefits | Settlement result of contract expiration Length of contract—1 year |
| | Minneapolis Federation of Honeywell Engineers, ind. | 1,440 S | 5-1-54 | \$3.46 per week av. | Same as above | Same as above |
| Philadelphia, Pa. | IUE, CIO | 1,500 WE | 5-1-54 | \$0.05 per hr. av. | (1) Liberalized hospitalization benefits: semi-private hospital board & room with \$10 per day in private room for 70 days; \$200 surgical schedule; \$3 per visit for home; \$3 per day in-hospital medical for 70 days (2) ½ paid holiday last work day before Christmas and New Years | Settlement result of contract expiration Length of contract—1 year |
| Los Angeles, Calif. Appliance Controls Division | Utility Workers, CIO | n.a. | 3-1-54 | Wage schedules raised for various job classifications | | Supplementary agreement Contract expires 3-1-55 |
| National Video Corp. Chicago, Ill. | Auto Workers, AFL | 500 WE | 4-26-54 | None | (1) 3 days' time off with pay for death in immediate family (2) Two additional holidays—day before or day after May 30 and July 4 (3) Pay for jury duty (difference between regular pay and jury duty pay) up to 2 wks. once in any given year | Settlement result of contract expiration Length of contract—3 years Reopening on wages 9-54 |
| Stupakoff Co. Latrobe, Pa. | UE, ind. | 256 WE | 4-1-54 | \$0.05 per hr. av. | (1) 3 days' paid bereavement leave (2) Increase of \$5 per wk. on sickness & accident benefits | Settlement result of contract expiration Length of contract—2 years Wage reopening 4-1-55 |
| Wiremold Co. Hartford, Conn. | IBEW, AFL | 248 WE | 6-26-54 | \$0.01 per hr. av. | Company assumed entire cost of pension | Settlement result of contract expiration Length of contract—1 year |

Wage Adjustments Announced Prior to July 15, 1954—Continued

| Company | Union(s) | Number and Type of Employees Affected* | Effective Date | Amount of Adjustment | Fringe Benefits** | Remarks |
|--|-------------------------------------|--|---|--|---|--|
| The William Brand & Co., Inc. Willimantic, Conn. | Textile Workers, CIO | 122 WE | 3-15-54 | \$.04 per hr. general wage increase | Daily hospital benefits increased from \$8 per day to \$12 per day | Settlement result of contract expiration Length of contract—13 mos. |
| <i>Fabricated Metal Products</i> | | | | | | |
| Bassick-Sack Co. Winston-Salem, N. C. | IUE, CIO | 140 WE | 4-26-54 | \$.05 per hr. av. | Vacation benefits liberalized | Settlement result of wage reopening Length of contract—1 year |
| Cincinnati Tool Co. Cincinnati, Ohio Norwood, Ohio | IUE, CIO | 120 WE | 4-12-54 (retroactive to 2-12-54) | n.a. | (1) Additional ½ day holiday — Christmas Eve (2) 3 weeks' vacation after 15 yrs. | First contract Length of contract—1 year |
| Hoosier Cardinal Corp. Evansville, Ind. | UAW, CIO | 500 WE | 6-1-54 | \$.02 per hr. across the board; \$.08 per hr. cost-of-living bonus frozen into base rates; escalator clause discontinued | (1) Christmas Eve added as paid holiday (2) 3 weeks' vacation after 10 instead of 12 yrs. | Settlement result of contract expiration Length of contract—15 mos. to 9-1-55 |
| | UAW, CIO | 250 S | n.a. | Same as above | Same as above | Same as above |
| Iron Fireman Manufacturing Co. Portland, Ore. | IBEW, AFL | 360 WE | 5-1-54 | \$.024 per hr. av. | ½ day off with pay before Christmas and New Years, in 1954 only | Length of contract—14½ mos. |
| <i>Food and Kindred Products</i> | | | | | | |
| American Stores Co. Northern N. J. | Retail Clerks, AFL | 1,100 WE (approx.) | 3-26-54 | \$5 per wk. av. | | Settlement result of wage reopening Contract extended 1 year to 3-25-56 |
| Continental Baking Co., Inc. Buffalo and Rochester, N. Y. | Bakery & Confectionery Workers, AFL | 500 WE | 5-1-54 | \$.06 per hr. | In New York City \$.015 per hr. additional employer contribution to welfare fund; Upstate—\$.0175 additional; both effective 10-1-54; New York City—\$.01 additional night premiums effective 10-1-54 | Settlement result of contract expiration Length of contract—1 year |
| General Mills, Inc. Buffalo, N. Y. O-Cel-O Division | District 50, UMW, ind. | 125 WE | 5-1-54 | \$.06 per hr. av. | | |
| Kansas City, Mo. Flour and feed plant | Grain Millers, AFL | 400 WE | 4-5-54 6-14-54 | \$.03 per hr. av. \$.05 per hr. av. | | |
| Great Falls, Mont. | Grain Millers, AFL | 46 WE | 7-1-54 | \$.05 per hr. av. | | |
| Milwaukee Grain Exchange Milwaukee, Wis. | Brewery Workers, CIO | 27 WE | 2-1-54 (date of settlement 3-17-54) | \$.06 per hr. av. | Paid holiday on birthday | Settlement result of contract expiration Length of contract—1 year |
| National Biscuit Co. Houston, Tex. | Teamsters, AFL | 53 WE | 3-1-54 | \$.135 per hr. av. | (1) 3 weeks' vacation after 15 instead of 20 years (2) Extension of revisions in company's employee benefit plan and group life insurance plan | Settlement result of contract expiration Length of contract—18 mos. |
| Ward Baking Co. Buffalo, N. Y. | Bakery & Confectionery Workers, AFL | 750 WE | 5-14-54 (for wage increase) 10-1-54 (for contribution to welfare plan) | \$.06 per hr. av. | \$.0175 per hr. additional contribution to welfare plan | Settlement result of contract expiration Length of contract—1 year |
| Williams Baking Co. Scranton, Pa. | Bakery & Confectionery Workers, AFL | 129 WE | 5-1-54 (for wage increase) 11-1-54 (for contribution to welfare plan) | \$.10 per hr. av. | (1) \$.01 per hr. added to employees' welfare plan (2) \$.06 per hr. previously granted for dressing and washing time deleted from contract | Settlement result of contract expiration Length of contract—1 year |
| <i>Furniture and Fixtures</i> | | | | | | |
| Illinois Moulding Co. Chicago, Ill. | Furniture Workers, CIO | 120 WE | 1-1-55 (date of settlement 6-7-54) | \$.07 per hr. av. | Vacations liberalized: 11 yrs.—2 weeks 1 day 12 yrs.—2 weeks 2 days 13 yrs.—2 weeks 3 days 14 yrs.—2 weeks 4 days 15 yrs.—3 weeks | Contract runs to 10-31-55 |

Wage Adjustments Announced Prior to July 15, 1954—Continued

| Company | Union(s) | Number and Type of Employees Affected* | Effective Date | Amount of Adjustment | Fringe Benefits** | Remarks |
|--|--|---|----------------|---|---|--|
| Romweber Co. Batesville, Ind. | Upholsterers AFL | 225 WE | 6-7-54 | \$0.02 per hr. av. beginning 9-1-54 | Full union shop from modified union shop | Settlement result of contract expiration Length of contract—2 years Wage reopening 8-1-55 |
| Universal Moulded Products Corp. | Woodworkers, CIO | 500 WE | 4-1-54 | No change | | Contract renewed with no change for 2 years |
| <i>Insurance</i> | | | | | | |
| Northwestern Mutual Life Insurance Co. Milwaukee, Wis. | Associated Unions of America, ind. | 110 WE | 5-1-54 | \$0.03 per hr. av. | | Settlement result of wage reopening Contract runs until 4-30-55 |
| | Same as above | 1,332 S | 5-1-54 | 2.62%; annual increase varies from \$52 to \$120 depending on job classifica- tion | | Same as above |
| <i>Lumber and Wood Products</i> | | | | | | |
| Sacramento Box & Lumber Co. Northern Calif. | Woodworkers, CIO | n.a. | n.a. | No changes | | Contract extended without change for 1 year |
| Scott Lumber Co. Burney, Calif. | Carpenters, AFL; Teamsters, AFL | 125 WE | 6-7-54 | \$0.10 per hr. av. | | Contract runs to 4-1-55 |
| <i>Machinery (except Electrical)</i> | | | | | | |
| Blackstone Corp. Jamestown, N. Y. | UE, ind. | 110 WE | 6-16-54 | \$0.05 per hr. av. increase for day workers | | Settlement result of contract expiration Length of contract—1 year |
| Chain Belt Co. Milwaukee, Wis. | Steelworkers, CIO | 1,350 WE | 5-3-54 | \$0.05 per hr. av.; increases varied from \$0.05 to \$0.16 per hr. for hourly em- ployees, according to labor grade; incentive workers received \$0.075 per hr. av. | Difference in pay for jury duty | Settlement result of contract expiration Length of contract—2 years Wage reopening in 1 year |
| | None | 1,050 S | 5-3-54 | \$0.065 per hr. av.; increases varied from \$0.04 to \$0.08 per hr. according to labor grade | | |
| Cummins Engine Co. Columbus, Ind. | Diesel Workers' Union, ind. | 1,888 WE | 4-23-54 | \$0.02 per hr.; not a general increase; this is average in- crease each employee will receive via merit increase as result of installing re- vised job evaluation plan | (1) December 24 added as paid holiday (2) ½ day off with pay on National Primary and Election days (3) 3 weeks' vacation aft- er 15 instead of 18 yrs. (4) 1 day paid absence to attend funeral of mother-in-law or fa- ther-in-law (5) Life insurance in- creased from \$1,000 to \$2,000 | Settlement result of contract expiration Length of contract—3 years Wage reopenings on 1-1-55 and 1-1-56 |
| | Office Committee, ind. | 477 WE | 6-1-54 | None | Same as (1) through (4) above | Settlement result of contract expiration Length of contract—3 years Wage reopenings 4-1-55 and 4-1-56 |
| Four Wheel Drive Automobile Co. Appleton, Wis. | District 50, UMWA, ind. | 75 WE | 3-3-54 | \$0.03 per hr. av. | Premium paid on life in- surance policy after re- tirement | Settlement result of wage reopening Contract runs to 7-1-55 |
| Gas Specialty Co. Milwaukee, Wis. | Office Employees, AFL | 168 S including 35 union members | 5-1-54 | 5% av.; increases varied according to job evalua- tion | Increased health and wel- fare insurance benefits | Settlement result of contract expiration Length of contract—2 years Wage reopening twice during life of contract upon receipt 60-day written notice |
| Gisholt Machine Co. Madison, Wis. | Steelworkers, CIO | 1,363 WE | 4-24-54 | | Changes in holiday pay, vacation pay, and insur- ance plan equal to \$0.0501 per hr. | Settlement result of contract expiration Length of contract—1 year |
| Harris-Seybold Co. Dayton, Ohio Seybold Division | IUE, CIO | 415 WE | 6-14-54 | \$0.04 per hr. av. | 4 hours paid holiday for Christmas Eve | Settlement result of wage reopening Length of contract—2 years Wage reopening 6-15-55 |
| Independent Pneumatic Tool Co. Aurora, Ill. | IAM, AFL | 550 WE | n.a. | None | Additional day vacation for each year over 10 yrs. up to 15 yrs. | Settlement result of contract expiration Length of contract—1 year |

Wage Adjustments Announced Prior to July 15, 1954—Continued

| Company | Union(s) | Number and Type of Employees Affected* | Effective Date | Amount of Adjustment | Fringe Benefits** | Remarks |
|--|---|--|----------------|--|--|--|
| Marion Power Shovel Co. Marion, Ohio | Steelworkers, CIO | 1,300 WE | 4-23-54 | \$.05 per hr. general increase effective 4-23-54; \$.02 additional effective 11-1-54 | Small increase in group insurance coverage | Settlement result of contract expiration Length of contract—1 year Contract expires 4-30-55 |
| | Steelworkers, CIO | 70 S (approx.) | 4-23-54 | \$8.50 per mo. effective 4-23-54; \$3.50 per mo. effective 11-1-54 | Same as above | Same as above |
| New Britain Machine Co. New Britain, Conn. | IAM, AFL | 1,400 WE | 3-22-54 | 5% | (1) Increased life insurance and hospital benefits (2) 2½ weeks' vacation for 10-15 yrs. of service in 1955 only | Settlement result of contract expiration Length of contract—2 years Wage reopening in 1 year |
| Pioneer Engineering Works, Inc. Minneapolis, Minn. | IUE, CIO | 430 WE | 4-19-54 | \$.05 per hr. across the board | Pay for recognized holidays regardless of the day of week in which they fall | Settlement result of contract expiration Length of contract—1 year |
| Singer Manufacturing Co. Bridgeport, Conn. | IUE, CIO | 1,077 WE | 4-19-54 | \$.0101 per hr. av. | (1) Vacation schedule liberalized (2) 3 days' off at average straight time hourly earnings for death in immediate family | Settlement result of contract expiration Length of contract—2 years Wage reopening 4-19-55 |
| | None | 614 S | n.a. | None | Liberalized vacation benefits | |
| Paper and Allied Products Continental Can Co., Inc. Hopewell, Va. | District 50, UMW, ind. | 767 WE | 4-26-54 | \$.08 per hr. across the board; additional \$.05 per hr. for selected jobs | (1) Double time after 16 hrs. and 8 hrs. rest before next shift (2) 6 paid holidays whether worked or not | Settlement result of contract expiration Length of contract—2 years Wage reopening after 5-1-55 |
| Crown Zellerbach Corp. North Portland, Ore. Western Waxed Paper Division | Stereotypers, AFL | n.a. | 5-1-54 | Scale of wages for journeymen shall be \$112 per wk. for 37½ hrs. work week | | Old contract continued until 4-30-55 with indicated change in journeymen's wages |
| Robert Gair Co., Inc. New York City | Pulp, Sulphite & Paper Mill Workers, AFL | 499 WE | 3-1-54 | 2% computed to the nearest cent; averages \$.03 per hr. | (1) Group insurance benefits (effective 4-1-54): hospital from \$9 to \$12 per day; extras from \$90 to \$120 (2) Retirement benefits (effective 7-1-54): retirement reduced from 35 to 30 yrs.; minimum monthly pension payment increased from \$40 to \$2; schedule of annuity benefits and employee contributions revised (3) Death in family benefit broadened to include sister and brother | Settlement result of contract expiration Length of contract—2 years One wage reopening between 1-1-55 and 3-1-55 |
| John A. Manning Paper Co. Troy, N. Y. | Paper Makers; Operating Engineers; IBEW; IAM; Carpenters; (all AFL) | 357 WE | 6-1-54 | 3% increase, with minimum of \$.05 per hr. | 3 weeks' vacation after 10 instead of 12 yrs. | Settlement result of contract expiration Length of contract—1 year |
| St. Regis Paper Co. Kalamazoo, Mich. | Chemical Workers, AFL | 110 WE | 3-15-54 | \$.03 per hr. across the board | | Settlement result of contract expiration Length of contract—1 year Wage reopening possible upon 60-days written notice by either party |
| Sealright Co. Fulton, N. Y. | Pulp, Sulphite & Paper Mill Workers, AFL | 1,796 WE | 3-21-54 | \$.05 per hr. for nonincentive; \$.04 per hr. for incentive workers | (1) 3 days off for death in immediate family (2) New Years holiday changed from 24 to 32 hrs. (includes New Years Eve) (3) Pension plan increased from \$75 to \$87.50 for 25 yr. employees | Settlement result of contract expiration Length of contract—1 year |

Wage Adjustments Announced Prior to July 15, 1954—Continued

| Company | Union(s) | Number and Type of Employees Affected* | Effective Date | Amount of Adjustment | Fringe Benefits** | Remarks |
|---|--|--|--|---|--|---|
| Kansas City, Kan. | Pulp, Sulphite & Paper Mill Workers, AFL | 620 WE | 3-21-54 | Same as above | Same as above | Same as above |
| Sonoco Products Co. Garwood, N. J. | Paperworkers, CIO | 100 WE | 4-26-54 | \$.08 per hr. av. | | Settlement result of contract expiration Length of contract—1 year |
| Standard Cap & Seal Co. Chicago, Ill. | Paperworkers, CIO | 175 WE (approx.) | 4-12-54 | \$.05 per hr. av. | (1) 1 additional holiday (2) 8 days with pay for death in immediate family | Settlement result of contract expiration Length of contract—1 year Either party may request re-opening at any time |
| | n.a. | 80 S | 4-12-54 | \$.05 per hr. av. | Same as above | |
| <i>Personal Services</i> J. Hunter Clark Co. Oakland, Calif. | Office Employees, AFL | 92 WE | 4-1-54 for wages; 5-10-54 for holiday benefits | \$.025 per hr. av.; additional \$.025 per hr. effective 8-1-54 | Pay for holidays regardless of day of week on which they fall (i.e. pay for Saturday holidays) | Settlement result of contract expiration Length of contract—1 year |
| <i>Products of Petroleum and Coal</i> Gulf Oil Corp. Port Arthur, Tex. | Oil Workers, CIO | 5,000 WE (approx.) | 4-16-54 | No bargaining for wages | (1) Company agreed to contribute to hospitalization and medical insurance (2) Improved pension and group life insurance arrangements | Settlement result of contract expiration Length of contract—3 years |
| Pure Oil Co. Newark, Ohio | Oil Refinery Employees Assn., ind. | 250 WE | Date of settlement 4-2-54 | No change; Rates have been in effect since 7-1-53 | | Settlement result of contract expiration Length of contract—2 years Change in wage rates may be requested at any time |
| <i>Primary Metal Industries</i> Allegheny Ludlum Steel Corp. Pittsburgh, Pa. | Steelworkers, CIO | 8,485 WE | 7-1-54 | \$.05 per hr. av. | (1) Insurance—\$.04 per hr. increased benefits, $\frac{1}{2}$ to be paid by company and $\frac{1}{2}$ by employee (effective 11-1-54) (2) Pensions—minimum monthly pension increased from \$100 for 25 yrs. or more of service to \$140 for 30 yrs. or more of service; such minimum to be reduced \$2 for each yr. by which continuous service is less than 30 (effective 11-1-54) | Settlement result of contract expiration Length of contract—2 years Wage reopening 5-1-55 |
| | Same as above | 84 S | Same as above | \$9 per mo. | | Same as above |
| Dayton Malleable Iron Co. Dayton, Ohio | UE, ind. | 900 WE | 3-22-54 | \$.03 per hr. av.; additional \$.02 per hr. on 9-19-54 | Increased insurance disability payments from 15 to 20 wks. | Settlement result of contract expiration Length of contract—2½ yrs. Wage reopening 9-16-55 |
| J. M. Lehmann Co., Inc. Lyndhurst, N. J. | Steelworkers, CIO | 70 WE | 4-18-54 | \$.08 per hr. av. | Group hospitalization and surgical benefits liberalized | Settlement result of contract expiration Length of contract—2 years Wage reopening 8-24-55 |
| New Jersey Zinc Co. Palmerton, Pa. | Steelworkers, CIO | n.a. | n.a. | No change | | Old contract with no changes renewed for 1 year until 4-30-55 |
| United States Steel Corp. Interstate | Steelworkers, CIO | 150,000 WE | 7-1-54 for wages; 11-1-54 for pension & insurance | \$.05 per hr. av. in wages; additional \$.02 per hr. each by employees and company for insurance; amount for pensions not available | Liberalized pension and insurance benefits | Settlement result of contract expiration Length of contract: For wages—2 years For pension—3 years For insurance—2 years Wage reopening 5-1-55 |

Wage Adjustments Announced Prior to July 15, 1954—Continued

| Company | Union(s) | Number and Type of Employees Affected* | Effective Date | Amount of Adjustment | Fringe Benefits** | Remarks |
|--|------------------------|--|---------------------------------|--|--|---|
| Youngstown Sheet & Tube Co. Youngstown, Ohio | Steelworkers, CIO | 23,000 WE (approx.) | 7-1-54 | \$0.05 per hr. av. | (1) Insurance—\$0.04 per hr. increased benefits, ½ paid by company and ½ by employee; \$0.045 total contribution by both company and employee (effective 11-1-54) (2) Pensions—minimum monthly pension for an employee with 30 yrs. of continuous service at age 65 shall be \$140; such minimum shall be reduced by \$2 for each yr. by which continuous service is less than 30; minimum monthly pension for total and permanent disability shall be \$75 (effective 11-1-54) | Settlement result of contract expiration Length of contract—2 years Wage reopening 7-1-55 |
| | Same as above | 1,500 S (approx.) | Same as above | Same as above | Same as above | Same as above |
| <i>Printing, Publishing and Allied Industries</i> | | | | | | |
| Graphic Arts Assn. Washington, D. C. | Bookbinders, AFL | 189 WE | 3-31-54 | \$0.08 per hr. or \$3 per wk. | (1) Increase in insurance benefits from \$50 to \$60 per wk. (2) Effective 3-31-55, 13 days vacation after 5 or more yrs. of continuous service in one plant | Settlement result of contract expiration Length of contract—2 years Wage reopening 3-31-55 |
| <i>Public Utilities</i> | | | | | | |
| Blue Earth Nicollet Cooperative Electric Association Mankato, Minn. | IBEW, AFL | 13 WE | 4-16-54 | \$0.15 per hr. av. | Double time for work on Sunday if employee works 7 consecutive days | Length of contract—1 year |
| Brooklyn Union Gas Co. Brooklyn, N. Y. | Transport Workers, CIO | 1,886 WE | 4-1-54 | \$0.10 per hr. av. | Reduction of early retirement age from 62 yrs. to 60 yrs. for men; from 62 yrs. to 55 yrs. for women | Settlement result of contract expiration Length of contract—1 year |
| | Transport Workers, CIO | 1,491 S | 4-1-54 | \$4 per wk. av. | Same as above | Same as above |
| Cambridge Gas Light Co. Cambridge & Somerville, Mass. | District 50, UMW, ind. | 124 WE | 4-1-54 | 3¼% to nearest cent; \$0.062 per hr. av. | For manual workers—existing sick pay provision of up to 4 wks. at full pay and 10 wks. at half pay liberalized so that progressively more full pay wks. are allowed according to period of service (20 yrs. service equals 26 wks. at full pay) | Settlement result of contract expiration Length of contract—1 year |
| Columbus & Southern Ohio Electric Co. Central & Southern Ohio | IBEW, AFL | 1,174 WE | 3-1-54 | 6% or \$0.1086 per hr. av. | (1) Increased shift premium from 0-4-6 to 0-5-9 (2) 3 weeks' vacation after 15 instead of 20 yrs. (3) Seventh paid holiday—Washington's birthday (4) Substituted company sick and accident plan for an insured accident and health coverage | Settlement result of contract expiration Length of contract—2 years Wage reopening 3-1-55 |
| Consumers Power Co. Lower Michigan | Utility Workers, CIO | 5,100 WE | 3-1-54 (settlement date 5-7-54) | \$0.0707 per hr. av. | (1) Washington's Birthday as paid holiday (2) 4 weeks' vacation after 25 years' service (3) Increased benefits under group hospital and surgical plan | Settlement result of contract expiration Length of contract—1 year |
| Kansas Power & Light Co. Kansas | IBEW, AFL | 1,300 WE | 1-7-54 | 3% | | Settlement result of contract expiration Length of contract—1 year and thereafter from yr. to yr. unless changed or terminated |

Wage Adjustments Announced Prior to July 15, 1954—Continued

| Company | Union(s) | Number and Type of Employees Affected* | Effective Date | Amount of Adjustment | Fringe Benefits** | Remarks |
|---|--------------------------------------|--|--------------------|---|--|---|
| Minneapolis Gas Co. Minneapolis, Minn. | Gas Workers, AFL | 888 WE | 5-1-54 | \$1.10 per hr. av. | Eligibility for 3 wks.' vacation changed from 15 to 10 yrs.' service | Settlement result of contract expiration Length of contract—1 year |
| | Office Employees, AFL | 274 S | 6-1-54 | \$.082 per hr. av. | Same as above | Same as above |
| New England Gas and Electric System Cambridge Electric Light Co. | Utility Workers, CIO | n.a. WE | 5-15-54 8-15-55 | 3½% 2% | (1) Of 11 holidays, Bunker Hill Day (June 17) remains unguaranteed (2) Further broadening of rest period | Contract expires 8-15-56 |
| New Bedford Gas & Edison Light Co. | Utility Workers of New England, ind. | na.. WE | 3-1-54 1-1-55 | 3% or \$.05 per hr. whichever is greater; 2% | (1) 10 guaranteed holidays. Double and one half time for holidays worked (2) Premium of \$2 per wk. for 25 yrs. or more of service (3) Increase in minimum call-out pay (4) Improved disability retrogression pay plan (5) Linemen's and servicemen's school established | Contract expires 12-31-55 |
| Niagara Mohawk Power Corp. Syracuse, N. Y. | IBEW, AFL | 7,700 WE (approx.) | 6-1-54 | 4% | (1) Start toward funding pension plan (2) Expanded hospitalization, medical and surgical plan plus major medical insurance coverage (3) Increased shift differential from \$.09 to \$.10 (4) 2 hrs.' straight time pay for shift and certain scheduled workers in lieu of time off on election day (5) Increased meal allowance benefits | Settlement result of contract expiration Length of contract—2 years Wage reopening 6-1-55 |
| Southern California Gas Co. Los Angeles, Calif. | Utility Workers, CIO | 3,666 S | 4-1-54 | Approx. 5% | (1) 1 wk. vacation allowance added in after twenty-fifth year of service (2) Swing shift premium changed from \$.05 to \$.06; graveyard shift premium from \$.08 to \$.09 | Settlement result of contract expiration Length of contract—1 year |
| Southern Counties Gas Co. of Calif. Los Angeles, Calif. | Chemical Workers, AFL | 1,300 WE | 4-1-54 | \$.056 per hr. av.; increases varied | (1) Additional week vacation after 25 yrs., effective 1955 (2) Shift premium increased \$.01 per hr. | Settlement result of contract expiration Length of contract—1 year Continues in effect yr. to yr. subject to written notice 60 days prior to termination date |
| Worcester Gas Light Co. Worcester, Mass. | District 50, UMWA, ind. | n.a. | 3-14-54 | \$.05 per hr. general increase | | Settlement result of wage reopening on basic wage rates only Contract expires 3-31-55 |
| <i>Stone, Clay and Glass Products</i> | | | | | | |
| General Portland Cement Co. Dallas, Tex. | Cement, Lime & Gypsum Workers, AFL | 225 WE | 5-1-54 | \$.02 per hr. av. | (1) Pension plan (2) 2½ straight time pay for holiday work instead of double time | Settlement result of contract expiration Length of contract—1 year |
| Fort Worth, Tex. | Same as above | 200 WE | 5-1-54 | Same as above | Same as above | Same as above |
| Houston, Tex. | Same as above | 215 WE | 5-1-54 | \$.05 per hr. av. | 2½ straight time pay for holiday work | Same as above |

Wage Adjustments Announced Prior to July 15, 1954—Continued

| Company | Union(s) | Number and Type of Employees Affected* | Effective Date | Amount of Adjustment | Fringe Benefits** | Remarks |
|---|---|--|--|---|---|---|
| Greene, Tweed & Co. North Wales, Pa. | Textile Workers, AFL | 35 WE | 4-1-54 | \$.03 per hr. effective 4-1-54; \$.01 per hr. effective 10-1-54 | (1) Good Friday added as holiday (2) Improved group in- surance; increased hospitalization bene- fits, surgical and med- ical expenses | Settlement result of contract expiration Length of contract—2 years Wage reopening 4-1-55 |
| Libbey-Owens-Ford Glass Co. Toledo, Ohio | Glass Workers, CIO | 9,500 WE | 5-15-54 | \$.07 per hr. approx. (no changes in rates; amt. ab- sorbed in increased fringe benefits) | (1) Pension (2) Hospitalization, health, and accident benefits (3) Jury duty pay (4) Funeral pay (5) 1 additional holiday | Settlement result of contract expiration Length of contract—1 year |
| | None | 2,200 S | 5-15-54 | \$.07 per hr. approx. | (1) Pension (2) Hospitalization, health, and accident benefits (3) 1 additional holiday | |
| Owens-Illinois Glass Co. Interstate | Glass Bottle Blowers Assn., AFL | 10,000 WE | 3-1-54 for wages; rest of contract effective 4-1-54 | \$.05 per hr. av. | Holiday pay to be based on 8 hrs. rather than on hrs. normally scheduled | Settlement result of contract expiration Length of contract—3 years Reopening for wages only after 8-1-55 and 8-1-56 |
| Glassboro & Riverdale, N. J. & St. Charles, Ill. | Glass Bottle Blowers Assn., AFL | 775 WE | 3-1-54 | \$.05 plus per hr. av.; range of \$.04 to \$.10 | (1) New Year's holiday period increased from 32 to 40 hrs.; Decora- tion Day, July 4, La- bor Day and Thanks- giving reduced from 32 to 24 hrs.; Christ- mas period remains 40 hrs. (2) Company agreed to pay tuition only for certain outside cours- es for recognized ap- prenticeships | Same as above |
| Pittsburgh Plate Glass Co. Miami, Fla. | Glass Workers, CIO | 12,000 WE | 5-15-54 | None | (1) Armistice Day added as paid holiday (2) Jury duty pay (3) Funeral pay (4) Health and accident insurance increased to \$30 for 26 wks. (5) Company increased hospitalization con- tribution to \$6 for family benefits (6) Pension revised to \$1.60 per mo. for each yr. service exclusive of Social Security | Settlement result of expira- tion of labor agreement Voluntary reopener on pen- sion Length of contract—1 year for wages, 4 years. for pension |
| <i>Textile Mill Products</i> American Woolen Co. Me., N. H., Vt., Mass., and Conn. | Textile Workers, CIO; Textile Workers, AFL | 4,000 WE | 6-7-54 | \$.105 per hr. reduction made up of \$.095 deducted from wages as such, and \$.01 deducted from cost- of-living bonus; \$.04 bal- ance of escalator frozen in- to base rates; cost-of-living clause eliminated | (1) 1 week vacation after 6 mos. to 3 yrs. serv- ice, with pay com- puted at an amount equal to 2% of straight time earnings (2) 1 wk's. vacation after 3 to 5 yrs. service with pay computed at an amount equal to 3% of straight time earnings (3) 2 wks. vacation after 5 or more yrs. service with pay computed at an amount equal to 4% of straight time earnings (4) All maternity bene- fits eliminated (5) All medical payments eliminated (6) Weekly accident and sickness benefits re- duced to flat \$.25 per wk. | Settlement result of strike which occurred at time of contract termination Length of contract—3 years Annual reopening on wages only |

Wage Adjustments Announced Prior to July 15, 1954—Continued

| Company | Union(s) | Number and Type of Employees Affected* | Effective Date | Amount of Adjustment | Fringe Benefits** | Remarks |
|--|---|--|--|--|--|---|
| Athol Manufacturing Co. Athol, Mass. | Steelworkers, CIO | 100 WE | 4-1-54 | \$.05 per hr. av. | Columbus Day added as holiday | Settlement result of contract expiration Length of contract—2 years Wage reopening 1-1-55 |
| Bigelow-Sanford Carpet Co. Thompsonville, Conn. | Textile Workers, CIO | 2,100 WE (approx.) | 6-1-54 | None | None | Contract renewed with no changes for 1 year |
| Amsterdam, N. Y. | Same as above | 1,700 WE (approx.) | 6-1-54 | None | None | Same as above |
| Botany Mills Passaic, N. J. | Textile Workers, CIO | 8,000 WE | 8-15-54 for fringe benefits; 6-7-54 for wages | All wage rates reduced \$.095 per hr. effective 6-7-54; cost-of-living adjustment reduced by \$.02 | Hospital insurance increased; room-and-board benefits from \$10 to \$12 per day; total benefits from \$410 to \$1,540 | Settlement result of contract expiration Length of contract—2 years Wage reopening annually at any time |
| Dan River Mills Danville, Va. | Textile Workers, AFL | 10,000 WE | n.a. | None | None | Contract renewed for 1 year with no changes Wage reopening any time after Oct. 30 |
| Pepperell Manufacturing Co. Biddeford, Me. | Textile Workers, CIO | n.a. | n.a. | None | None | Arbitration Board provided no change in established rates |
| <i>Transportation</i> | | | | | | |
| Airline Transit Co. St. Louis, Mo. | Teamsters, AFL | 130 WE | 4-1-54 | \$.11 per hr. av. | | Settlement result of wage reopening Length of contract—18 mos. |
| | None | 10 S | 4-1-54 | 7% | | |
| Baltimore Transit Co. Baltimore, Md. | Office Employees, AFL | 140 S | 4-11-54 | \$2 per wk. av. | Union shop granted | Settlement result of contract expiration Length of contract—1 year |
| Cross Transit Corp. Kokomo, Ind. | Street, Railway Employees, AFL | 31 WE | 3-1-54 | \$.07 per hr. av. | | Settlement result of contract expiration Length of contract—2 years |
| Pacific Northern Airlines, Inc. Seattle, Wash. | Air Line Pilots, AFL | 56 S | 5-1-54 | \$15 per mo. (approx.) | | Settlement result of contract expiration Contract expires 1-31-55 |
| The Youngstown Municipal Railway Co. Youngstown, Ohio | IAM; Teamsters; IBEW; (all AFL) | 60 WE | 7-1-54 | \$.05 per hr. av. | Additional insurance to \$1,000 on contributory basis; employees pay \$.60 per mo. | Settlement result of contract expiration Length of contract—1 year |
| <i>Transportation Equipment</i> | | | | | | |
| Twin Coach Co. Buffalo, N. Y. | IAM, AFL | 2,500 WE | 5-1-54 | \$.05 per hr. av. | Good Friday added as paid holiday | Settlement result of contract expiration Length of contract—1 year |
| Westinghouse Air Brake Co. Wilmerding, Pa. | UE, ind. | 5,000 WE | 6-1-54 | None | (1) Increased hospitalization benefit from \$8 to \$12 per day; added \$3 daily nursery charge and surgical benefit coverage to children 14 days of age or younger (2) Pay for jury duty—difference between regular pay and jury duty pay | Length of contract—2 years with 5 year pension and insurance agreement extension |
| | Westinghouse Air Brake Office & Technical Union, ind. | 800 S | 6-1-54 | None | Same as above | Same as above |

Wage Adjustments Announced Prior to July 15, 1954—Continued

| Company | Union(s) | Number and Type of Employees Affected* | Effective Date | Amount of Adjustment | Fringe Benefits** | Remarks |
|---|--|---|-------------------|---|---|--|
| <i>Wholesale and Retail Establishments</i> | | | | | | |
| American Hardware Supply Co. Pittsburgh, Pa. | Teamsters, AFL | 124 WE | 4-28-54 | Increases staggered: \$.075 on 4-28-54; \$.05 on 4-28-55; \$.035 on 5-28-56; \$.025 additional to packers, checkers and receivers, effective 4-28-54; and again 4-28-55 | 4 days' leave instead of 3 for death in family | Settlement result of contract expiration Length of contract—3 years |
| Johnson Hardware Co. Alton, Ill. | Retail Clerks, AFL | 5 WE | 3-31-54 | \$.08 per hr. av.; increase represents change from 42 hr. wk. to 40 hr. wk. | | Settlement result of contract expiration Length of contract—1 year |
| Safeway Stores, Inc. Havre, Mont. | Retail Clerks, AFL | 8 WE | 3-1-54 | \$.19 per hr. av. | | Settlement result of contract expiration Contract runs until 2-28-55 |
| <i>Miscellaneous Manufacturing Industries</i> | | | | | | |
| Lionel Corporation Irvington, N. J. | Playthings, Jewelry & Novelty Workers, CIO | 2,323 WE | 5-14-54 | \$.05 per hr. av. | | Settlement result of contract expiration Length of contract—1 year |
| | Same as above | 175 S | 5-14-54 | Same as above | | Same as above |

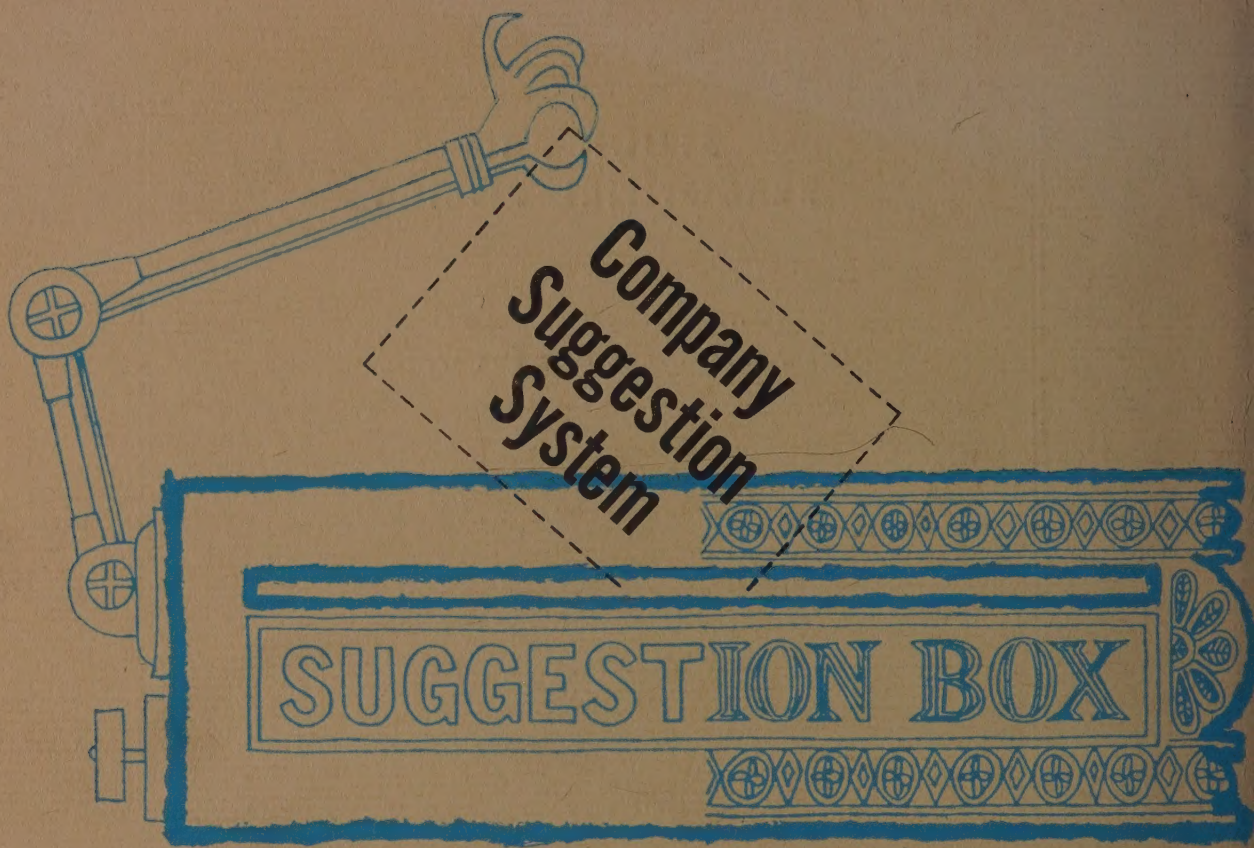
* WE, wage earner; S, salaried employee; n.a., not available

** Fringe Benefits include all benefits supplemental to wages received by workers at a cost to employers.

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